

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 X NSL ☐ NSP ☐ SD

NSL - 7211
 WCU
 Apache Corporation's
 Northeast Drinkard Unit 169
 30-025-42243

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

Pool
 - Eunice, Bli-T-DK;
 NORTH
 22500

- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or **Does Not Apply**

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Brian Wood

Print or Type Name

Signature

Consultant

Title

brian@permitswest.com

e-mail Address

12-14-14

Date

**REQUEST FOR ADMINISTRATIVE APPROVAL
APACHE CORPORATION'S
NORTHEAST DRINKARD UNIT 169
30-025-42243
3440' FNL & 130' FWL
SECTION 2, T. 17 S., R. 37 E., LEA COUNTY, NM**

I. This proposed oil well is on State surface and a State oil and gas lease within the unit. The well is nonstandard (200' too far west) for the Eunice; Bli-Dr-Tu, North Pool (22900) due to the P&A State Section 2 #11 well (see EXHIBIT A). That well (30-025-06377) is 209' east of the NEDU 169. The State Section 2 #11 produced from the Tubb from 1965-1973 until it was squeezed for being non-commercial. It was subsequently completed in the Abo, Connell, and McKee. The well was ultimately plugged and abandoned in 2002. Apache requests a nonstandard location to prevent waste and maximize recovery.

A standard location must be $\geq 330'$ from the boundary of the quarter-quarter according to Order R-8539 et al. In this case, it is 130' from the west side of Lot 12.

II. Form C-102 showing the well and 40-acre dedication is attached as Exhibit B. Exhibit C shows the unit boundary. The well is 200' too far west. It is 3440' from the closest unit boundary. The well encroaches toward the interior of the unit. Section 2 is 950.76 acres instead of the standard 640 acres.

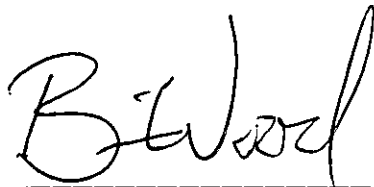
III. Unit boundaries are shown on EXHIBIT C. The well encroaches to the west. Eunice; Bli-Dr-Tu, North dedications exist in Lot 12 and all 8 bordering or cornering quarter-quarters, all of which are in the unit. This information is current and correct.

IV. Archaeology is not an issue.

V. Surface issue (P&A well) and the need to prevent waste and recover additional reserves drive the need for this nonstandard location.

VI. Apache does not believe directional drilling to a standard location is cost effective for this well.

VII. I hereby certify that there is common ownership and partner approval of the Blinebry, Drinkard, and Tubb working interest in the lease which comprises the proposed 40 acre spacing unit (Lot 12 Section 2) and the adjacent quarter-quarters (Lots 9 and 16 Section 3 and Lot 13 Section 2) of the sides and corner toward which it encroaches, all of which are in the unit, and that the information is current and correct. Therefore, notice to any affected party is not required.



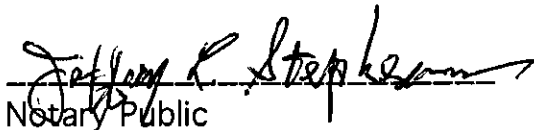
Brian Wood, Consultant

12-14-14

Date

STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

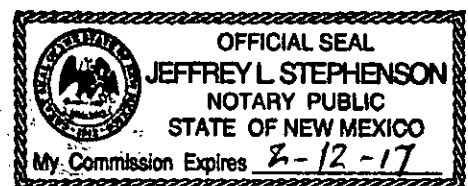
The foregoing instrument was acknowledged before me this 14th day of December, 2014 by Brian Wood. Witness my hand and official seal.


Notary Public

My Commission Expires: 2-12-2017

Business Address: 37 Verano Loop, Santa Fe NM 87508

cc: Cooper



A photograph of a grassy field under a cloudy sky. In the foreground, there is a dirt path leading towards the center of the frame. A wooden stake with a red flag is planted in the ground. In the distance, a red circle is drawn around a marker on the horizon. Several oil pumpjacks and utility poles are visible in the background.

Looking East at Northeast Drinkard Unit 169 center stake
and toward State Section 2 #11 P&A marker (circled).

EXHIBIT A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Arriba Road, Anton, NM 87418
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to
appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-42243	2 Pool Code 22900	3 Pool Name Eunice; BLE-TU-DR, North
4 Property Code 22503	5 Property Name NORTH EAST DRINKARD UNIT	
7 OGRID No. 873	8 Operator Name APACHE CORPORATION	9 Well Number #169
		9 Elevation 3479.31

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	2	21 S	37 E		3,440	NORTH	130	WEST	LEA

11 Bottom Hole Location If Different From Surface

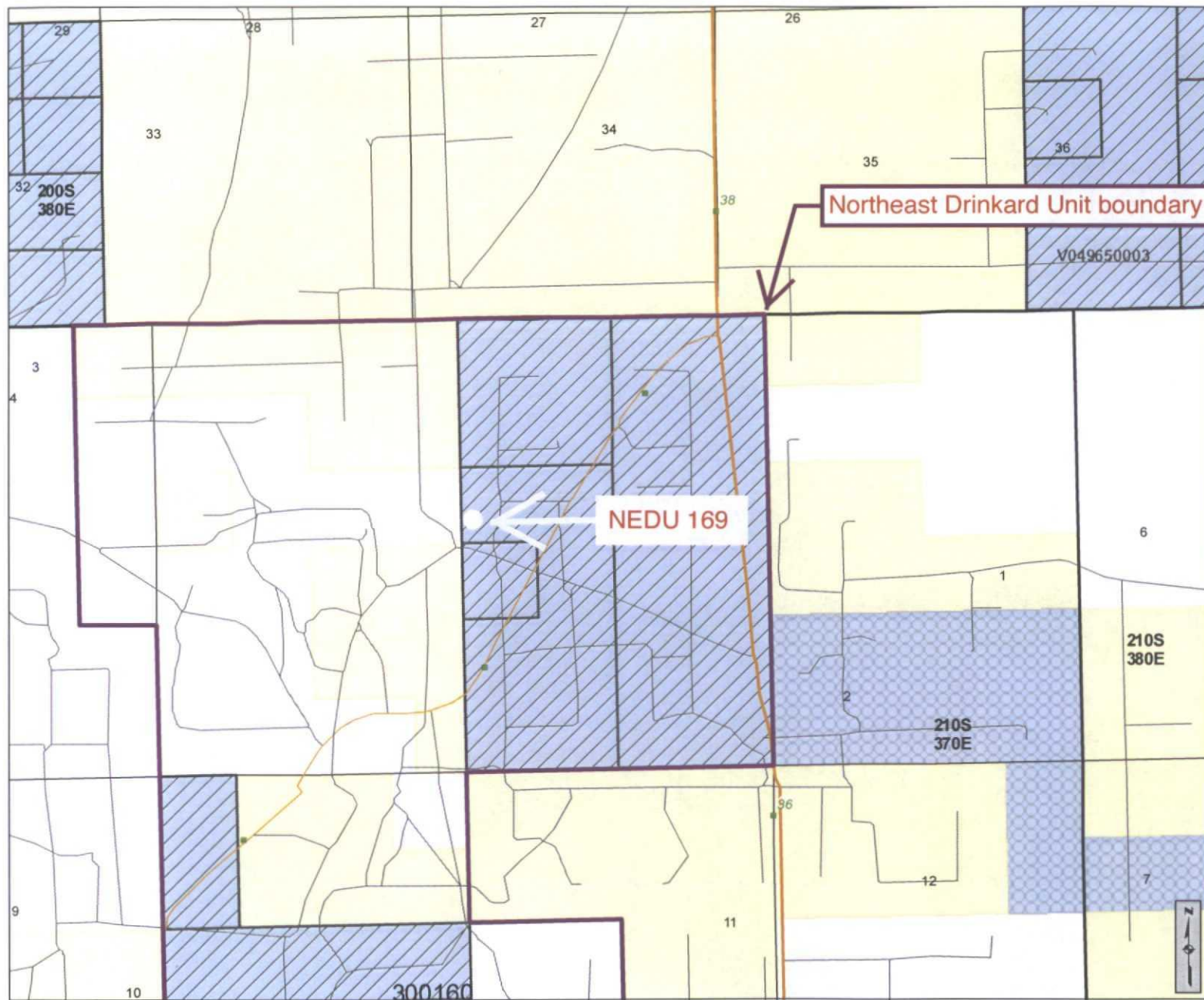
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

SECTION 2, TOWNSHIP 21 SOUTH, RANGE 37 EAST P.M.

<p>FOUND 1 INCH IRON PIPE, CAPPED, DISTURBED LAT: 32.521875 N LONG: -103.141720 W NAD83 E: 335460.022 NAD83 E: 867294.102 (N.A.D. 83) LAT: 32.52084 N LONG: -103.142802 W NAD83 E: 335725.401 NAD83 E: 868177.314 (N.A.D. 83)</p>		<p>FOUND 1-1/2 INCH IRON PIPE, ALUMINUM CAPPED LAT: 32.521875 N LONG: -103.141720 W NAD83 E: 335720.843 NAD83 E: 867574.543 (N.A.D. 83) LAT: 32.52084 N LONG: -103.142802 W NAD83 E: 335725.401 NAD83 E: 868177.314 (N.A.D. 83)</p>		<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Michelle Cooper</u> Date: <u>11-8-14</u> Printed Name: <u>Michelle Cooper</u> E-mail Address: <u>michelle.cooper@apache.com</u></p>	
<p>SURFACE LOCATION DD LAT: 32.52084 N DD LONG: -103.141720 W DMS LAT: 32°52'14.950" N DMS LONG: 103°9'53.712" W NAD83 E: 335460.022 NAD83 E: 868083.775 (N.A.D. 83) DD LAT: 32.521875 N DD LONG: -103.141720 W DMS LAT: 32°52'14.950" N DMS LONG: 103°9'53.712" W NAD83 E: 335725.401 NAD83 E: 868177.314 (N.A.D. 83)</p>		<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 10-02-2014 Date of Survey Signature and Seal of Professional Surveyor: <u>Jeffery E. Hudson</u> Certificate Number: <u>20659</u></p>		<p>JEFFERY E. HUDSON NEW MEXICO 20559 PROFESSIONAL SURVEYOR</p>	
<p>FOUND 1 INCH IRON PIPE, CAPPED, DISTURBED LAT: 32.520432 N LONG: -103.141714 W NAD83 E: 347822.733 NAD83 E: 867386.628 (N.A.D. 83) LAT: 32.520552 N LONG: -103.142185 W NAD83 E: 347882.641 NAD83 E: 868970.543 (N.A.D. 83)</p>		<p>FOUND SPIKE NAIL IN STONE MONUMENT BEARS S 0°18'30" E 50°38'48" AND S 0°18'30" E 52°17'53" LAT: 32.52084 N LONG: -103.141720 W NAD83 E: 342563.162 NAD83 E: 867452.319 (N.A.D. 83) LAT: 32.52084 N LONG: -103.142185 W NAD83 E: 342608.945 NAD83 E: 868970.543 (N.A.D. 83)</p>			

EXHIBIT B



Cartographic Features

- County Boundaries
- County Seats
- City, Town or Village
- SLO District Offices
- SLO District Boundary
- Hwy Mileposts
- Interstate
- US Hwy
- NM Hwy
- Local Road
- Continental Divide

Federal Minerals Ownership

- All Minerals
- Coal Only
- Oil and Gas Only
- Oil, Gas and Coal Only
- Other Minerals

State Trust Lands

- Surface Estate
- Subsurface Estate
- Surface and Subsurface Estate

State Leases

- Oil and Gas Leases
- Agricultural Leases
- Commercial Leases
- Minerals Leases
- Not Available for Oil and Gas Leasing
- Oil and Gas Leasing Influenced by Restriction

Oil and Gas Related Features

- Oil and Gas Unit Boundary
- Participating Areas in Units
- Geologic Regions
- Volcanic Vents
- NMOCD Order R-111-P
- Potash Enclave Outline

NMOCD Oil and Gas Wells

- CO₂
- Gas
- Injection
- Miscellaneous
- Oil
- Salt Water Disposal
- Water
- DA or PA

New Mexico State Land Office

Oil, Gas and Minerals

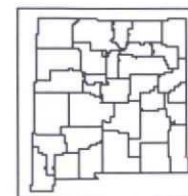
0 0.1 0.2 0.4 0.6 0.8 Miles
 Universal Transverse Mercator Projection, Zone 13
 1983 North American Datum

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Land Office Geographic Information Center
 logic@slo.state.nm.us

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EXHIBIT C



www.nmstatelands.org