

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 15, 2015

Apache Corporation
Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7322
Administrative Application Reference No. pMAM1517558243

Apache Corporation
OGRID 873
Barber Gas Com. Well No. 5
API No. 30-025-41268

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
820' FNL & 415' FWL	D	8	20S	37E	Lea

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 W/2 of Section 8, and E/2 E/2 of Section 7	320	Eumont; Yates-7 Rvrs-Queen (Gas)	76480

Reference is made to your application received on June 24, 2015.

You have requested to drill this well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by Special rules for the Eumont; Yates-7 Rvrs-Queen (Gas) Pool which requires the well to be located no closer than 660 feet to any governmental quarter section line. This location is less than 660 feet from a governmental quarter section line. Further, this spacing Unit was created by Division Order R-637, issued on May 18, 1955.

Your application has been duly filed under the provisions of Division Rules 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is required in order to recover addition reserves and prevent waste.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Division Order R-8170-P, Rule 4(A) to all operators, lessees or unleased mineral interest owners of any units adjacent to the gas spacing unit in which the well is located.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This NSL Administrative Order was done in conjunction with administrative Order SD-90-01-A, issued on July 15, 2015.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on July 15, 2015.



DAVID R. CATANACH

Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad