

Order Number
Dxc
HOB-0366

API Number
30-025-39653

Operator
Apache Corp

County
Lea / Fee

Order Date
4/1/2010

Well Name
Merit

Number
2

Location
205

38e

UL

Sec

T (+Dir)

R (+Dir)

Oil %
28%

Gas %
35%

WIR
43%

33230

House Blinbry

78760

House Tabb

18%

33250

House Drinkard

47%

Comments: Posted ROOMS 4/6/10 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHC - HOB - 0366
API # 30-025-39653

OPERATOR: Apache Corp

PROPERTY NAME: Merit

WNULSTR: #2-0, 11-205-380

SECTION I:

POOL NO. 1 House Blinebry

ALLOWABLE AMOUNT

142 284 MCF 2000

POOL NO. 2 House Tubb

142 284 MCF 2000

POOL NO. 3 House Drinkard

142 284 MCF 2000

POOL NO. 4 _____

POOL TOTALS 426 852 MCF

SECTION II:

POOL NO. 1 House Blinebry

Oil
28%

GAS
35%

POOL NO. 2 House Tubb

9%

18%

POOL NO. 3 House Drinkard

63% X 426 = 268.38 47%
<268>

POOL NO. 4 _____

OIL

GAS

SECTION III:

63% ÷ 142 = 22539 <225>

SECTION IV:

28% X 225 = 63

9% X 225 = 20.25 <20>

63% X 225 = 141.75 <142>

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

MAR 31 2010

HOBBSD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39653

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

NA

7. Lease Name or Unit Agreement Name

Merit

8. Well Number 2

9. OGRID Number

873

10. Pool name or Wildcat

House; Blinebry/Tubb/Drinkard

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other: ☒

2. Name of Operator

Apache Corporation

3. Address of Operator

6120 S Yale Ave, Suite 1500 Tulsa, OK 74136

4. Well Location

Unit Letter O : 440 feet from the South line and 1675 feet from the East line

Section 11 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3568' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐

OTHER: Request DHC Blinebry/Tubb/Drinkard

☒

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to Division Order R-11363:

Pool Names:

House; Blinebry 33230

House; Tubb 78760

House; Drinkard 33250

Proposed Perforations:

Blinebry: 6092' - 6562'

Tubb: 6696' - 6879'

Drinkard: 7030' - 7116'

The allocation method will be as follows based on offset production (see attached application for exception to Rule 303-C)

	OIL	GAS	WATER
House; Blinebry	28%	35%	43%
House; Tubb	9%	18%	13%
House; Drinkard	63%	47%	44%

Downhole commingling will not reduce the value of these pools.
Ownership is the same for each of these pools.

DHC - HOB - 03612

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Engineering Tech

DATE 03/30/2010

Type or print name Amber Cooke

E-mail address: amber.cooke@apachecorp.com

PHONE: 918.491.4918

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

APR 01 2010

Conditions of Approval (if any):

RECEIVED

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-39653 ✓		2 Pool Code 33230 ✓		3 Pool Name House; Blinebry ✓	
4 Property Code 303223 ✓		5 Property Name Merit ✓			6 Well Number 2 ✓
7 OGRID No. 873 ✓		8 Operator Name Apache Corporation ✓			9 Elevation 3568' ✓

10 Surface Location

UL or lot no. O	Section 11	Township 20S	Range 38E	Lot Idn 440	Feet from the South	North/South line South	Feet from the 1675	East/West line East	County 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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

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.

16	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and correct 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 least pursuant to a contract with an owner of such mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order. Signature: <u>Amber Cooke</u> Date: <u>03/31/2010</u> Printed Name: <u>Amber Cooke</u>			
	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 are true and correct to the best of my belief. Date of Survey: _____ Signature and Seal of Professional Surveyor: _____ Certificate Number: _____			

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88201

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS

State of New Mexico
 erals & Natural Resources Department
 CONSERVATION DIVISION
 220 South St. Francis Dr.
 Santa Fe, NM 87505

Fee Lease - 3 Copies

☐ AMENDED REPORT

¹ API Number 30-025-39653		² Pool Code 33250	³ Pool Name House; Drinkard	
⁴ Property Code 303223	⁵ Property Name Merit			⁶ Well Number 2
⁷ OGRID No. 873	⁸ Operator Name Apache Corporation			⁹ Elevation 3568'

UL or lot no.	Section	Township	Range	Lot Id#	Feet from the North/South line	Feet from the East/West line	Comments
O	11	20S	38E	440	South	1675	East Lea

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

¹⁰ Dedicated Acres 40	¹¹ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

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.

I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this certification is given without working interest or intended mineral interest in the land involved, the proposed bottom hole location or has a right to drill there without a lease, agreement to a contract with an owner of such a mineral or working interest or a voluntary pooling agreement or a compulsory pooling law, heretofore entered by the division.

Signature Under Code Date 03/31/2010

Amber Cooke

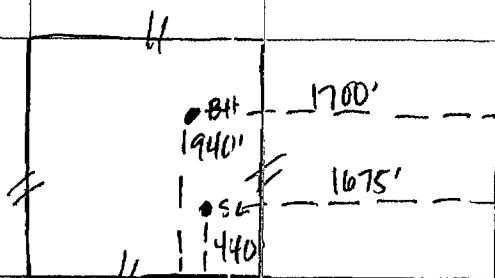
Printed Name _____

I hereby certify that the well location shown on this plan 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.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number



RECEIVED

MAR 31 2010

District I
1625 N. French Dr., Hobbs, NM 88240
District II
301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS

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 October 12, 005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-39653		2 Pool Code 78760		3 Pool Name House; Tubb	
4 Property Code 303223		5 Property Name Merit			6 Well Number 2
7 OGRID No. 873		8 Operator Name Apache Corporation			9 Elevation 3568'

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
O	11	20S	38E		440	South	1675	East	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
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this organization or her owner, working interest or unleased mineral interest in the land includes 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. <i>Amber Cooke</i> 03/30/2010 Signature Date Amber Cooke Printed Name	
					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. Date of Survey Signature and Seal of Professional Surveyor	
					Certificate Number	