

Sec : 16 Twp : 21S Rng : 37E Section Type : NORMAL

<p>D</p> <p>40.00</p> <p>CS</p> <p>B01557 0002</p> <p>APACHE CORP</p> <p>12/29/38</p> <p>A A A</p>	<p>C</p> <p>40.00</p> <p>CS</p> <p>B01557 0002</p> <p>APACHE CORP</p> <p>12/29/38</p> <p>A A A A A</p>	<p>B</p> <p>40.00</p> <p>CS</p> <p>B01732 0001</p> <p>CHEVRON U S A INC</p> <p>02/28/43</p> <p>A</p>	<p>A</p> <p>40.00</p> <p>CS</p> <p>B01732 0001</p> <p>CHEVRON U S A INC</p> <p>02/28/43</p> <p>A A</p>
<p>E</p> <p>40.00</p> <p>CS</p> <p>B01557 0002</p> <p>APACHE CORP</p> <p>12/29/38</p> <p>A A A</p>	<p>F</p> <p>40.00</p> <p>CS</p> <p>B01557 0002</p> <p>APACHE CORP</p> <p>12/29/38</p> <p>A A</p>	<p>G</p> <p>40.00</p> <p>CS</p> <p>B01732 0001</p> <p>CHEVRON U S A INC</p> <p>02/28/43</p> <p>A</p>	<p>H</p> <p>40.00</p> <p>CS</p> <p>B01732 0001</p> <p>CHEVRON U S A INC</p> <p>02/28/43</p> <p>A A</p>
<p>L</p> <p>40.00</p> <p>CS</p> <p>B00085 0016</p> <p>APACHE CORPORATIO</p> <p>07/28/38</p> <p>A A</p>	<p>K</p> <p>40.00</p> <p>CS</p> <p>B00085 0016</p> <p>APACHE CORPORATIO</p> <p>07/28/38</p> <p>A A</p>	<p>J</p> <p>40.00</p> <p>CS</p> <p>B00085 0016</p> <p>APACHE CORPORATIO</p> <p>07/28/38</p> <p>A A</p>	<p>I</p> <p>40.00</p> <p>CS</p> <p>B00085 0016</p> <p>APACHE CORPORATIO</p> <p>07/28/38</p> <p>A A</p>
<p>M</p> <p>40.00</p> <p>CS</p> <p>B08105 0003</p> <p>JOHN H HENDRIX CO</p> <p>04/10/49</p> <p>A</p>	<p>N</p> <p>40.00</p> <p>CS</p> <p>B08105 0003</p> <p>JOHN H HENDRIX CO</p> <p>04/10/49</p> <p>A</p>	<p>O</p> <p>40.00</p> <p>CS</p> <p>B08105 0003</p> <p>JOHN H HENDRIX CO</p> <p>04/10/49</p> <p>A A</p>	<p>P</p> <p>40.00</p> <p>CS</p> <p>B08105 0003</p> <p>JOHN H HENDRIX CO</p> <p>04/10/49</p> <p>A A</p>

EXHIBIT "C"

SURFACE USE AND OPERATIONS PLAN  
CULTURAL RESOURCES SURVEY  
APPROXIMATE REHABILITATION SCHEDULE

LOCALITY: **HAWK B-1 #40**  
OPERATOR: **APACHE CORPORATION**

LOCATION: SW¼SW¼ OF SECTION 9, T21S-R37E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

SUBMITTED TO:

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
ROSWELL DISTRICT OFFICE  
2909 WEST 2<sup>ND</sup> STREET  
ROSWELL, NEW MEXICO 88201  
TELEPHONE (505) 627-0272

This plan is submitted to provide permitting agencies with information necessary to allow an appraisal of the environmental effects associated with the proposed drilling operations. Within the context of typical drilling operations, this plan provides for protection of surface resources and other environmental components. This plan has been developed in conformity with the United States Geological Survey NTL-6 guidelines, Bureau of Land Management Oil and Gas Order No. 1, and in connection and consultation with the private surface owner of record, if other than the United States of America, as well as the Roswell District Office for the Bureau of Land Management and the United States Department of the Interior, as needed.

PART #1:

- 1) Surface Location:  
SW¼SW¼ of Section 9, Township 21 South, Range 37 East, N.M.P.M.  
Lea County, New Mexico  
1310' FSL, 1280' FWL, Unit M  
See attached Exhibits "D" and "E"
- 2) Bottom Hole Location:  
SW¼SW¼ of Section 9, Township 21 South, Range 37 East, N.M.P.M.  
Lea County, New Mexico  
1310' FSL, 1280' FWL, Unit M  
See attached Exhibits "D" and "E"
- 3) Leases Issued: NM-90161
- 4) Record Lessee:

Apache Corporation	50%
BP America Production Co.	25%
Chevron USA Inc.	25%

- 5) Acres in Lease:  
Township 20 South, Range 37 East, NMPM  
 Section 13: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$   
Township 20 South, Range 38 East, NMPM  
 Section 30: Lot 1  
Township 21 South, Range 37 East, NMPM  
 Section 4: Lots 3, 6  
 Section 6: NE $\frac{1}{4}$ SE $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$   
 Section 8: SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$   
 Section 9: S $\frac{1}{2}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$

Total Acres: 958.25

- 6) Acres Dedicated to Well:  
 There are 40.00 acres dedicated to this well, which takes in the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 9, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

PART #2:

- 1) Existing Roads:  
 Exhibits "E-1" & "E-2" comprise maps showing the proposed well site in relation to existing roads and State Highway 18. The well is  $\pm$ 3 miles northwest of Eunice, New Mexico. From Eunice, go north approximately 2.5 miles on State Highway 18. Turn northwest on existing lease roads to location as illustrated on Exhibit "E-2".
- 2) Planned Access:  
 A. Length and Width: Existing lease/access roads will be used into the well site. Application for a buried pipeline will be made if it becomes necessary.  
 B. Construction: The existing roads will be lightly graded and topped with compacted caliche as needed.  
 C. Turnouts: None required.  
 D. Culverts: None required.  
 E. Cuts and Fills: As needed.  
 F. Gates and Cattleguards: None required.
- 3) Location of Existing Wells:  
 Exhibit "F" shows existing wells within a 1-mile radius of the proposed well.
- 4) Location of Existing and/or Proposed Facilities:  
 A. There are production facilities within the area of the Northeast District Unit, which is adjacent to the wellsite.  
 B. If the oil well proves to be commercial, any necessary production facilities will be installed on the drilling pad, and flow lines will be installed along the proposed and existing roads to the production facilities and storage tanks. See Exhibit "E-3" for flow-line route.
- 5) Location and Type of Water Supply:  
 Apache Corporation plans to drill the proposed well with fresh and brine water which will be transported by truck over proposed and existing access roads.
- 6) Source of Construction Materials:  
 Caliche for surfacing access roads and the wellsite pad will be obtained from the location itself or from BLM pits in the area.
- 7) Method of Handling Waste Material:  
 A. Drill cuttings will be disposed of in the reserve pits.  
 B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.  
 C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.  
 D. Water produced during operations will be collected in tanks until hauled to an approved disposal system.  
 E. Oil produced during operation will be stored in tanks until sold.  
 F. Apache Corporation will comply with current laws and regulations pertaining to the disposal of human waste.

G. All waste materials will be contained to prevent scattering by the wind and will be removed from the well site within 30 days after drilling and/or completion operations are finished.

8) Ancillary Facilities: None planned.

9) Well Site Layout:

- A. Exhibit "G" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area have been staked and flagged.
- B. Mat Size: 140' x 200' plus reserve pits as shown on Exhibit "G".
- C. Cut & Fill: Only minor leveling of the drilling site is anticipated.
- D. The surface will be topped with compacted caliche and the reserve pits will be lined with 6 mil plastic.

10) Plans for Restoration of the Surface:

- A. After completion of drilling and/or completion operations, all equipment and other material, not needed for operations, will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, Apache Corporation will comply with all rehabilitation and/or vegetation requirements of the Bureau of Land Management, and such rehabilitation will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11) Other Information:

- A. Topography: The wellsite and access road are located in the Querecho Plains and are relatively flat.
- B. Soil: The proposed location, access road and production facilities consist of sandy soil. Slope in the proposed area ranges from zero (0) to five (5) degrees.
- C. Flora and Fauna: Vegetation is one of a grassland environment and a scrub-grass, scrub disclimax community. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: There are no ponds, lakes, streams or feeder creeks in the immediate area.
- E. Residences and Other Structures: There are no occupied residences or other structures on or near the proposed location.
- F. Land Use: The land is used for grazing cattle.
- G. Surface Ownership: The surface is owned by the Trustee of the Millard Deck Estate, c/o Tim Walters, Bank of America, P. O. Box 270, Midland, TX 79702, 915-685-2864. A Surface Use and Release Agreement for this tract has been executed by the Millard Deck Estate and Apache Corporation.
- H. Archaeological, Historical, and Other Cultural Study:  
Don Clifton, Archaeological Consultant, of Pep, New Mexico, will be conducting an archaeological survey of the proposed HAWK B-1 #40 well which covers the drilling location, production facilities, and access road, including a corridor along said access road for power and flow lines. His report will be filed under separate cover.

I. Senior Representative (Manager, Engineering & Production):

Jim McKinney  
Apache Corporation  
Suite 1500 – Two Warren Place  
6120 South Yale Avenue  
Tulsa, Oklahoma 74136  
(918) 491-4800

Project (Operations Engineer):

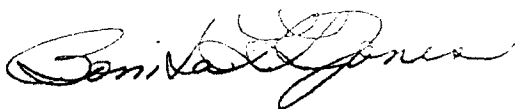
Kevin Mayes  
Apache Corporation  
Suite 1500 – Two Warren Place  
6120 South Yale Avenue  
Tulsa, Oklahoma 74136  
(918) 491-4972

**Drilling Operations (Operations Engineer):**

Glenn Bone  
Apache Corporation  
Suite 1500 – Two Warren Place  
6120 South Yale Avenue  
Tulsa, Oklahoma 74136  
(918) 491-4907

**CERTIFICATION**

I hereby certify that Apache Corporation has inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operation of the well shall be conducted in accordance with the plan approved by me and its contractors and subcontractors in conformity with the plan and route approved by me and its contractors and subcontractors. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Bonita L. L. Jones, RLP, Consulting Landman  
Agent for Apache Corporation  
P. O. Box 8309  
Roswell, New Mexico 88202-8309  
(505) 624-9799 FAX (505) 624-9799  
E-Mail: bonita@dfn.com

Date: 11-3-03

*Division Property Code 24427*

# Well Selection Criteria Quick Print

Friday, February 27, 2004

Page 1

(Field\_No = 24427)

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt
30-025-06434-00-00	HAWK B 1	011 APACHE CORP	O	A	Lea	F	I	8	21 S	37 E	1980 S	660 E	DHC-162
30-025-06434-00-00	HAWK B 1	011 APACHE CORP	O	A	Lea	F	I	8	21 S	37 E	1980 S	660 E	DHC-162
30-025-36158-00-00	HAWK B 1	032 APACHE CORP	O	A	Lea	F	I	8	21 S	37 E	1365 S	1310 E	
30-025-35877-00-00	HAWK B 1	021 APACHE CORP	O	A	Lea	F	I	8	21 S	37 E	1980 S	865 E	
30-025-35878-00-00	HAWK B 1	022 APACHE CORP	O	A	Lea	F	J	8	21 S	37 E	1980 S	2000 E	
30-025-26266-00-00	HAWK B 1	015 APACHE CORP	O	A	Lea	F	K	8	21 S	37 E	2093 S	1867 W	
30-025-35807-00-00	HAWK B 1	029 APACHE CORP	O	A	Lea	F	K	8	21 S	37 E	1830 S	1980 W	
30-025-26601-00-00	HAWK B 1	016 APACHE CORP	O	A	Lea	F	N	8	21 S	37 E	660 S	1980 W	DHC-421
30-025-26601-00-00	HAWK B 1	016 APACHE CORP	O	A	Lea	F	N	8	21 S	37 E	660 S	1980 W	DHC-421
30-025-26601-00-00	HAWK B 1	016 APACHE CORP	O	A	Lea	F	N	8	21 S	37 E	660 S	1980 W	DHC-421
30-025-06435-00-00	HAWK B 1	012 APACHE CORP	O	A	Lea	F	O	8	21 S	37 E	660 S	1980 E	
30-025-35795-00-00	HAWK B 1	018 APACHE CORP	O	A	Lea	F	P	8	21 S	37 E	760 S	840 E	
30-025-06433-00-00	HAWK B 1	010 APACHE CORP	O	A	Lea	F	P	8	21 S	37 E	1980 S	1980 E	
30-025-36532-00-00	HAWK B 1	039 APACHE CORP	O		Lea	F	P	8	21 S	37 E	1200 S	80 E	
30-025-09909-00-00	HAWK B 1	003 APACHE CORP	O	A	Lea	F	C	9	21 S	37 E	660 N	1980 W	
30-025-09909-00-00	HAWK B 1	003 APACHE CORP	O	A	Lea	F	C	9	21 S	37 E	660 N	1980 W	
30-025-35879-00-00	HAWK B 1	023 APACHE CORP	O	A	Lea	F	C	9	21 S	37 E	650 N	2160 W	
30-025-35797-00-00	HAWK B 1	024 APACHE CORP	O	A	Lea	F	F	9	21 S	37 E	2000 N	2120 W	
30-025-20178-00-00	HAWK B 1	013 APACHE CORP	O	A	Lea	F	I	9	21 S	37 E	1980 S	660 E	DHC-50
30-025-35881-00-00	HAWK B 1	030 APACHE CORP	O	A	Lea	F	I	9	21 S	37 E	1830 S	620 E	
30-025-20178-00-00	HAWK B 1	013 APACHE CORP	O	A	Lea	F	I	9	21 S	37 E	1980 S	660 E	DHC-50
30-025-35798-00-00	HAWK B 1	025 APACHE CORP	O	A	Lea	F	J	9	21 S	37 E	1830 S	1980 E	
30-025-06438-00-00	HAWK B 1	002 APACHE CORP	O	A	Lea	F	J	9	21 S	37 E	1980 S	1980 E	DHC-332
30-025-06438-00-00	HAWK B 1	002 APACHE CORP	O	A	Lea	F	J	9	21 S	37 E	1980 S	1980 E	DHC-332
30-025-09908-00-00	HAWK B 1	005 APACHE CORP	O	A	Lea	F	K	9	21 S	37 E	1980 S	1980 W	DHC-98
30-025-09908-00-00	HAWK B 1	005 APACHE CORP	O	A	Lea	F	K	9	21 S	37 E	1980 S	1980 W	DHC-98
30-025-09908-00-00	HAWK B 1	005 APACHE CORP	O	A	Lea	F	K	9	21 S	37 E	1980 S	1980 W	DHC-98
30-025-35799-00-00	HAWK B 1	026 APACHE CORP	O	A	Lea	F	K	9	21 S	37 E	1840 S	2000 W	
30-025-09910-00-00	HAWK B 1	004 APACHE CORP	O	A	Lea	F	L	9	21 S	37 E	1980 S	660 W	DHC-205
30-025-09910-00-00	HAWK B 1	004 APACHE CORP	O	A	Lea	F	L	9	21 S	37 E	1980 S	660 W	DHC-205
30-025-35876-00-00	HAWK B 1	020 APACHE CORP	O	A	Lea	F	L	9	21 S	37 E	1980 S	550 W	
30-025-36533-00-00	HAWK B 1	040 APACHE CORP	O		Lea	F	M	9	21 S	37 E	1310 S	1280 W	
30-025-35796-00-00	HAWK B 1	019 APACHE CORP	O	A	Lea	F	M	9	21 S	37 E	660 S	425 W	
30-025-06441-00-00	HAWK B 1	009 APACHE CORP	O	A	Lea	F	M	9	21 S	37 E	660 S	660 W	DHC-84
30-025-06441-00-00	HAWK B 1	009 APACHE CORP	O	A	Lea	F	M	9	21 S	37 E	660 S	660 W	DHC-84
30-025-06441-00-00	HAWK B 1	009 APACHE CORP	O	A	Lea	F	M	9	21 S	37 E	660 S	660 W	DHC-84
30-025-09907-00-00	HAWK B 1	006 APACHE CORP	O	T	Lea	F	N	9	21 S	37 E	1060 S	1980 W	
30-025-36344-00-00	HAWK B 1	034 APACHE CORP	O	A	Lea	F	N	9	21 S	37 E	1040 S	1470 W	
30-025-35882-00-00	HAWK B 1	031 APACHE CORP	O	A	Lea	F	N	9	21 S	37 E	700 S	1850 W	

## Well Selection Criteria Quick Print

(Field\_No = 24427)

API Well #	Well Name and No.		Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt
30-025-36531-00-00	HAWK B 1	038	APACHE CORP	O		Lea	F	O	9	21 S	37 E	1080 S	2551 E	
30-025-09906-00-00	HAWK B 1	008	APACHE CORP	O	A	Lea	F	O	9	21 S	37 E	660 S	1980 E	DHC-121
30-025-35880-00-00	HAWK B 1	028	APACHE CORP	O	A	Lea	F	O	9	21 S	37 E	420 S	1980 E	
30-025-09906-00-00	HAWK B 1	008	APACHE CORP	O	A	Lea	F	O	9	21 S	37 E	660 S	1980 E	DHC-121
30-025-06439-00-00	HAWK B 1	007	APACHE CORP	O	A	Lea	F	P	9	21 S	37 E	660 S	660 E	DHC-246
30-025-06439-00-00	HAWK B 1	007	APACHE CORP	O	A	Lea	F	P	9	21 S	37 E	660 S	660 E	DHC-246
30-025-06439-00-00	HAWK B 1	007	APACHE CORP	O	A	Lea	F	P	9	21 S	37 E	660 S	660 E	DHC-246
30-025-06439-00-00	HAWK B 1	007	APACHE CORP	O	A	Lea	F	P	9	21 S	37 E	660 S	660 E	DHC-246
30-025-36530-00-00	HAWK B 1	036	APACHE CORP	O		Lea	F	P	9	21 S	37 E	1310 S	1310 E	
30-025-35806-00-00	HAWK B 1	027	APACHE CORP	O	A	Lea	F	P	9	21 S	37 E	830 S	900 E	

CMD : ONGARD 02/27/04 10:05:34  
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPEM

OGRID Idn : 873 API Well No: 30 25 36533 APD Status(A/C/P): A  
Opr Name, Addr: APACHE CORP Aprvl/Cncl Date : 11-17-2003  
6120 S. YALE  
SUITE 1500  
TULSA,OK 74136

Prop Idn: 24427 HAWK B 1 Well No: 40

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn : M	9	21S	37E				FTG 1310 F S	FTG 1280 F W
OCD U/L : M			API County :	25				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R  
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3510

State Lease No: Multiple Comp (S/M/C) : S  
Prpsd Depth : 4775 Prpsd Frmtn : PENROSE SKELLY NSL 4956 (SD)

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

Joanna Prukop  
Cabinet Secretary

October 31, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Apache Corporation  
c/o James Bruce  
P. O. Box 1056  
Santa Fe, New Mexico 87504

*Administrative Order NSL-4956 (SD)*

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-328843241*) dated September 28, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Apache Corporation's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SW/4 SW/4 (Unit M) of Section 9, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

This 40-acre Grayburg unit is currently dedicated to Apache Corporation's Hawk "B-1" Well No. 19 (API No. 30-025-35796) located at a standard oil well location 660 feet from the South line and 425 feet from the West line of Section 9.

It is our understanding that the E/2 SW/4 and the SE/4 of Section 8 and the E/2 NW/4 and the S/2 of Section 9, both in Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico, comprise a single federal lease (U. S. Government lease No. NM-90161) with common mineral interest in which Apache Corporation is the leasehold operator; therefore, there are no adversely effected offsets to the subject 40-acre tract within the Grayburg interval.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other offsetting Penrose Skelly (Grayburg) oil producers within this Federal lease. The proposed infill oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within the Hawk "B-1" federal lease that might not otherwise be recovered.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox "infill" oil well location within the SW/4 SW/4 (Unit M) of Section 9 is hereby approved:

**Hawk "B-1" Well No. 40  
1310' FSL & 1280' FEL.**

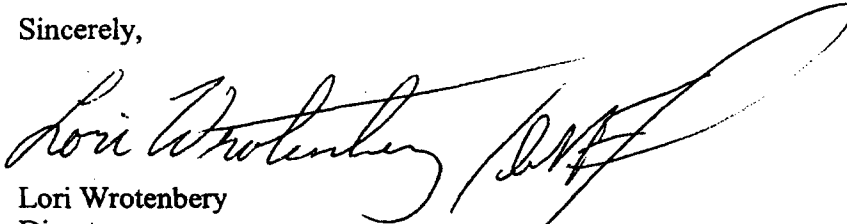
Apache Corporation  
October 31, 2003  
Page 2

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Division Administrative Order NSL-4956 (SD)

Further, both the existing Hawk "B-1" Well No. 19 and the proposed Hawk "B-1" Well No. 40 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a large, sweeping flourish that extends across the signature block.

Lori Wrotenbery  
Director

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

March 1, 2004

**Lori Wrotenbery**

Director

**Oil Conservation Division**

**Apache Corporation**  
c/o **James Bruce**  
**P. O. Box 1056**  
**Santa Fe, New Mexico 87504**

**CORRECTED**

***Administrative Order NSL-4956 (SD)***

Dear Mr. Bruce:

Due to inadvertence, the description of Apache Corporation's unorthodox infill oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SW/4 SW/4 (Unit M) of Section 9, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (**50350**), Lea County, New Mexico, for its proposed Hawk "B-1" Well No. 40, approved by Division Administrative Order NSL-4956 (SD), dated October 31, 2003, is incorrect and shall therefore be amended as follows:

**"Hawk "B-1" Well No. 40**  
**1310' FSL & 1280' FWL**  
**(API No. 30-025-36533)."**

The corrections set forth in this order shall be entered retroactively as of October 31, 2003; all other provisions of Division Administrative Order NSL-4956 (SD) shall remain in full force and effect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Lori Wrotenbery  
Director

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad  
File: NSL-4956 (SD)

CMD : ONGARD 02/27/04 10:05:53  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPM

API Well No : 30 25 35882 Eff Date : 05-28-2002 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24427 HAWK B 1

Well No : 031  
GL Elevation: 3408

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: N	9	21S	37E	FTG 700 F S	FTG 1850 F W	A

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 02/27/04 10:05:57  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPEM  
Page No : 1

API Well No : 30 25 35882 Eff Date : 05-28-2002  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24427 HAWK B 1 Well No : 031  
Spacing Unit : 56289 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 9 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

-----  
S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn  
-----  
N 9 21S 37E 40.00 N FD  
-----

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/27/04 10:06:04  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPEM  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 35882 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prod.	Days	Production Volumes	Well		
		MM/YY	Prod	Gas	Oil	Water	Stat
30 25 35882	HAWK B 1	09 03	30	1921	444	629	P
30 25 35882	HAWK B 1	10 03	31	1661	438	594	P
30 25 35882	HAWK B 1	11 03	30	2169	383	747	P

Reporting Period Total (Gas, Oil) : 5751 1265 1970

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/27/04 10:05:08  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPEM

API Well No : 30 25 35796 Eff Date : 03-02-2002 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24427 HAWK B 1

Well No : 019  
GL Elevation: 3515

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : M	9	21S	37E	FTG	660 F S FTG	425 F W	A

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 02/27/04 10:05:14  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPEM  
Page No : 1

API Well No : 30 25 35796 Eff Date : 03-02-2002  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24427 HAWK B 1 Well No : 019  
Spacing Unit : 55890 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 9 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

-----  
S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn  
-----  
M 9 21S 37E 40.00 N FD  
-----

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF



CMD : ONGARD 02/27/04 10:05:21  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPM  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 35796 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prod. MM/YY	Days Prod	Production Gas	Volumes Oil	Water	Well Stat
30 25 35796	HAWK B 1	01 03	30	2814	710	1752	P
30 25 35796	HAWK B 1	02 03	28	2719	606	1614	P
30 25 35796	HAWK B 1	03 03	31	2916	696	1838	P
30 25 35796	HAWK B 1	04 03	30	2756	688	1594	P
30 25 35796	HAWK B 1	05 03	31	2944	727	1563	P
30 25 35796	HAWK B 1	06 03	28	1785	600		P
30 25 35796	HAWK B 1	07 03	31	3251	647	1672	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 NXTPOOL	PF11 NXTOGD	PF12

CMD : ONGARD 02/27/04 10:05:23  
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPEM  
 Page No: 2

OGRID Identifier : 873 APACHE CORP  
 Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
 API Well No : 30 25 35796 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 35796	HAWK B 1	08 03 31	3315 622 1791	P
30 25 35796	HAWK B 1	09 03 30	2976 592 1236	P
30 25 35796	HAWK B 1	10 03 31	1603 585 1167	P
30 25 35796	HAWK B 1	11 03 30	2142 520 1523	P

Reporting Period Total (Gas, Oil) : 29221 6993 15750

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/27/04 09:23:58  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPM

API Well No : 30 25 35515 Eff Date : 05-03-2001 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 23113 STATE C TRACT 12

Well No : 008  
GL Elevation: 3488

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : D	16	21S	37E	FTG	660 F N FTG	810 F W	A

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : S  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 02/27/04 09:24:05  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPEM  
Page No : 1

API Well No : 30 25 35515 Eff Date : 05-03-2001  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 23113 STATE C TRACT 12 Well No : 008  
Spacing Unit : 54564 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 16 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	D		16	21S	37E	40.00	N	ST		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 LAND	PF11 NXTSEC	PF12 RECONF

CMD : ONGARD 02/27/04 09:24:12  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPEM  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 35515 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 35515	STATE C TRACT 12	01 03 31	7140 873 1245	P
30 25 35515	STATE C TRACT 12	02 03 28	5737 776 910	P
30 25 35515	STATE C TRACT 12	03 03 31	5562 532 931	P
30 25 35515	STATE C TRACT 12	04 03 28	4702 427 734	P
30 25 35515	STATE C TRACT 12	05 03 31	5512 460 790	P
30 25 35515	STATE C TRACT 12	06 03 30	6778 414	P
30 25 35515	STATE C TRACT 12	07 03 31	5769 413 759	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/27/04 09:24:16  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPEM  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 35515 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 35515	STATE C TRACT 12	08 03 31	5597 385 706	P
30 25 35515	STATE C TRACT 12	09 03 30	4406 324 591	P
30 25 35515	STATE C TRACT 12	10 03 31	5684 335 631	P
30 25 35515	STATE C TRACT 12	11 03 30	4403 316 645	P

Reporting Period Total (Gas, Oil) : 61290 5255 7942

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. - 308  
ORDER NO. R-98-B

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO ON ITS OWN  
MOTION FOR AN ORDER (a) REVISING AND  
AMENDING SECTIONS 'G', 'H', 'J', 'M', 'N',  
AND 'O' OF ORDER NO. 850; AND (b) PERMITT-  
ING THE ADOPTION OF SUCH OTHER CHANGES  
AND AMENDMENTS IN OTHER RULES NECESSARY  
AND PROPER TO GIVE FULL FORCE AND EFFECT  
TO THE REVISIONS AND AMENDMENTS CONTEM-  
PLATED.

NUNC PRO TUNC ORDER OF THE COMMISSION

It appearing to the Commission that the order heretofore entered in the  
above entitled cause is not a correct memorial of the judgment as rendered and  
announced by this Commission in that Appendix B of said order, through inadvertence  
and clerical error, established gas-oil ratio limits pursuant to Rule 506, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	2000
Eunice, South	2000
Penrose-Skelly	2000
Vacuum	2000

when it should have been shown, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No Limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly,  
Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now  
primarily gas reservoirs; Provided that the oil produced with the gas shall not  
be in excess of the current top unit allowable; and provided further that the gas pro-  
duced from said pools shall be put to beneficial use so as not to constitute waste,  
except as to proration units in said pools for which there are no facilities for the  
marketing or application to beneficial use of the gas produced therefrom. As to  
such proration units the limiting gas-oil ratio in effect immediately prior to the

Case No. 308  
Order No. R-98-B

effective date of the order herein shall apply.

THEREFORE, it is hereby ordered that the order heretofore entered by this Commission in the above entitled cause on June 24, 1952, be, and the same hereby is corrected to conform to the actual findings announced and rendered by the Commission by modifying Appendix B to read, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly, Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now primarily gas reservoirs; Provided that the oil produced with the gas shall not be in excess of the current top unit allowable; and provided further that the gas produced from said pools shall be put to beneficial use so as not to constitute waste, except as to proration units in said pools for which there are no facilities for the marketing or application to beneficial use of the gas produced therefrom. As to such proration units the limiting gas-oil ratio in effect immediately prior to the effective date of the order herein shall apply, and said order in all other respects is hereby ratified and confirmed, and,

IT IS FURTHER ORDERED, That this order correcting the record of said order be entered nunc pro tunc as of the 24th day of June, 1952, that being the date when said order was originally made and entered.

DONE this 24th day of July, 1952.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

S E A L



[illegible]