

APP NO. 102232707

ABOVE THIS LINE FOR DIVISION USE ONLY

LOGGED IN

NEW MEXICO OIL CONVERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET 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:

[NSP-Non-Standard Location] [NSL-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 - Directional Drilling [B] NSL [B] NSP [C] SD

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

 Image: WFX
 PMX
 SWD
 IPI
 EOR
 PPR

[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 if One Which Requires Published Legal Notice
- [D] Distribution 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] Uaivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. *I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.*

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

Lee R. White Print or Type Name

Signature

Engineering Manager Title 1/16/01 Date

Lee.White@apachecorp.com e-mail Address



2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

WWW.APACHECORP.COM (713) 296-6000

January 16, 2001

Attn: David Catanach State of New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Administrative Order PC-969 A B Baker Lease Unit P, Sec. 10, T22S-R37E Lea County, New Mexico

Apache Corporation proposes to amend the referenced Surface Commingling Permit to include the Penrose Skelly; Grayburg and Eunice; San Andres, South pools.

To support this request we have attached the following:

- 1) Tabulation of wells indicating the current producing pool, average daily production rates and API gravity of each pool.
- 2) The expected sum of commingled production is 52 BOPD and expected gravity is 34.0. The value of commingled production will not be decreased by adding the referenced pools. Allocation of production from each pool will be based on monthly well tests.
- 3) Production Facilities diagram
- 4) Plat of A B Baker lease
- 5) Copy of letter sent to Royalty Interest Owners and list of same.

If you have any questions regarding this application, please contact me at 713-296-6338. Thank you.

Sincerely,

APACHE CORPORATION referred

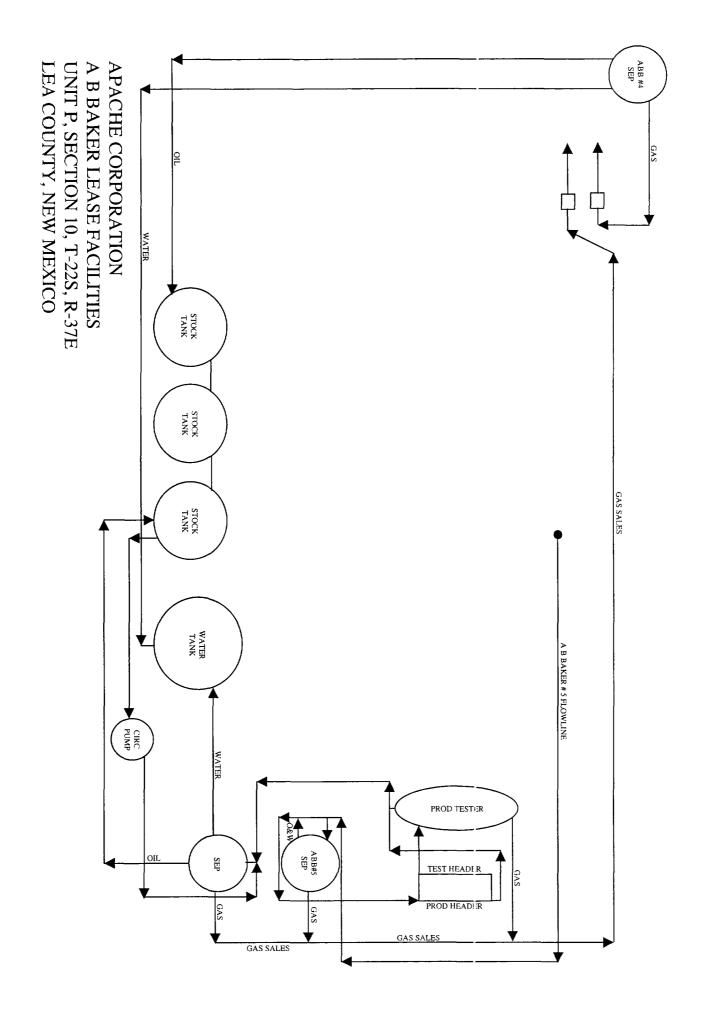
Debra J. Anderson Sr. Engineering Technician

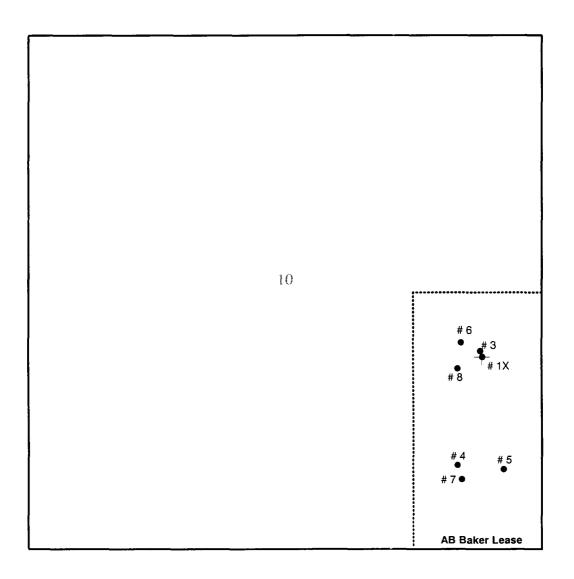
Attachments

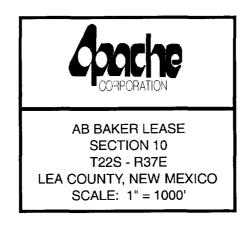
cc: State of New Mexico Oil Conservation Division District I 1625 N. French Drive Hobbs, New Mexico 88240

A B BAKER LEASE PENROSE SKELLY; GRAYBURG EUNICE; SAN ANDRES, SOUTH BLINEBRY OIL & GAS (PRO GAS) TUBB OIL & GAS (PRO GAS) DRINKARD / WANTZ ABO WANTZ GRANITE WASH P()OLS

| <u>Well</u> | <u>No.</u> | <u>Pool</u> | <u>Status</u> | Avg. <u>BOPD</u> | API <u>Gravity</u> |
|-------------|----------------------|---------------------------------|--------------------|---------------------|-----------------------|
| 3 | 30-0 35 -1015 | 7 Blinebry | TA'd | 0 | |
| | | Tubb Oil & Gas (Pro Gas) | Active | 0 | |
| | | Drinkard | Active | 0 | |
| 4 | 10158 | Blinebry (Pro Gas) | Active | 1 | 34.6 |
| 5 | 33528 | Wantz Abo | Active | 0 | |
| | | Wantz Granite Wash | Active | 0 | |
| 6 | 33794 | Blinebry Oil & Gas (Pro Gas) | Active | 3 | 34.6 |
| | | Wantz Abo Wantz Granite Wash | Shut-In Shut-In | 0 0 | |
| 7 | 35134 | Penrose Skelly; Grayburg | Active | 21 | 32.9 |
| 8 | 35135 | Eunice; San Andres, South | Active | 27 | 34.0 |









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January 16, 2001

Royalty Interest Owners

Re: Administrative Order PC-969 A B Baker Lease Unit P, Sec. 10, T22S-R37E Lea County, New Mexico

Attached please find an application to amend the referenced Surface Commingling Permit, that Apache Corporation has filed with the New Mexico Oil Conservation Division. This amendment is to include the Penrose Skelly; Grayburg and Eunice; San Andres, South Pools. Production from the Blinebry Oil & Gas (Pro Gas), Tubb Oil & Gas (Pro Gas), Drinkard, Wantz Abo and Wantz Abo Granite Wash pools is currently authorized for commingling at the A B Baker surface facilities. If you have an objection to this application, you must notify the OCD in writing within 20 days from the date of this letter.

Sincerely,

APACHE CORPORATION

Debra J. Anderson Sr. Engineering Technician

Attachment

cc: New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

A B BAKER LEASE ROYALTY INTEREST OWNERS

Atlantic Richfield Company P O Box 910355 Dallas, Texas 75391 Certified Receipt # Z-207-261-513

Ronald J Byers 2902 Stratford Drive Austin, Texas 78746-4629 Certified Receipt # Z-207-261-514

Hugh Corrigan III P O Box 50460 Midland, Texas 79710 Certified Receipt # Z-207-261-515

J Patrick Corrigan P O Box 690068 Vero Beach, Florida 32969 Certified Receipt # Z-207-261-516

Florence Marie Hall Trust P O Box 840 Dallas, Texas 75284-0738 Certified Receipt # Z-207-261-517 Florence Thelma Hall Trust # 2 P O Box 840 Dallas, Texas 75284-0738 Certified Receipt # Z-207-261-518

Filice Sellmeyer Mulvihill 224 Rosemont Drive El Paso, Texas 79922 Certified Receipt # Z-207-261-519

J S Sellmeyer 2479 CR 856 McKinney, Texas 75070 Certified Receipt # Z-207-261-520

June P Speight Drawer 1687 Lovington, New Mexico 88260 Certified Receipt # Z-207-261-521

Texaco Exploration & Production P O Box 200778 Houston, Texas 77216-0778 Certified Receipt # Z-207-261-522