

DATE IN <u>4/21/00</u>	SUSPENSE <u>5/11/00</u>	ENGINEER <u>MS</u>	LOGGED <u>KV</u>	TYPE <u>AMEND NSP</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [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
☐ NSL ☒ NSP ☐ DD ☐ 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
☐ 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] ☐ 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

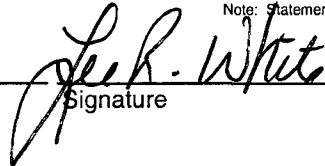
[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all 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 further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Lee R. White

Print or Type Name


Signature

Engineering Manager

Title

4/17/00

Date

April 17, 2000

State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Application to Amend NSP-824 (Blinebry Gas Well)
State CK No. 3
Blinebry Oil & Gas Pool
Lea County, New Mexico

Apache Corporation would like to request administrative approval for the reduction of dedicated acreage from 80 acres to 40 acres and approval of an amended non-standard proration unit for the referenced well.

To support this request we submit the following information:

- 1) The referenced well was reclassified in 1/70 from oil to gas and the entire 80 acres of the State CK lease were dedicated with approval from the New Mexico OCD for Non-Standard Proration and unorthodox location in 3/70
- 2) The referenced well has been reclassified two additional times, 6/83 as oil and 11/87 as gas and was recently downhole commingled with the Paddock Oil Pool
- 3) Apache is currently completing a new well in the Blinebry Oil & Gas pool located in the north 40 acres of the State CK lease
- 4) The proposed 40-acre non-standard unit consists of contiguous quarter-quarter sections
- 5) The non-standard gas proration unit lies wholly within a single governmental section (see attached plats)

- 6) The non-standard gas proration unit is productive in the Paddock Oil Pool, Drinkard Oil Pool and Blinebry Oil & Gas Pool
- 7) Offset operators have been notified by certified mail and furnished a copy of this application

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

Sincerely,

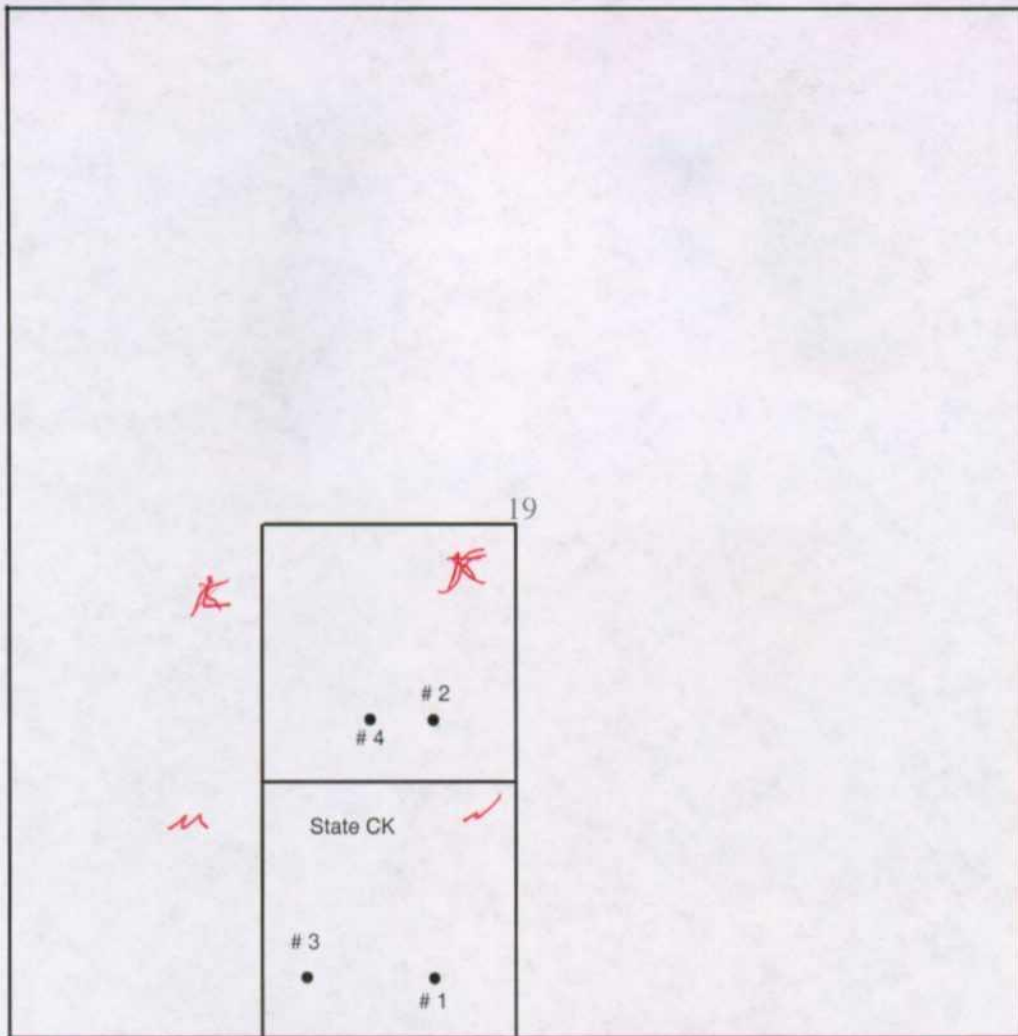
APACHE CORPORATION

A handwritten signature in black ink, appearing to read "Debra J. Anderson", is written over a horizontal line.

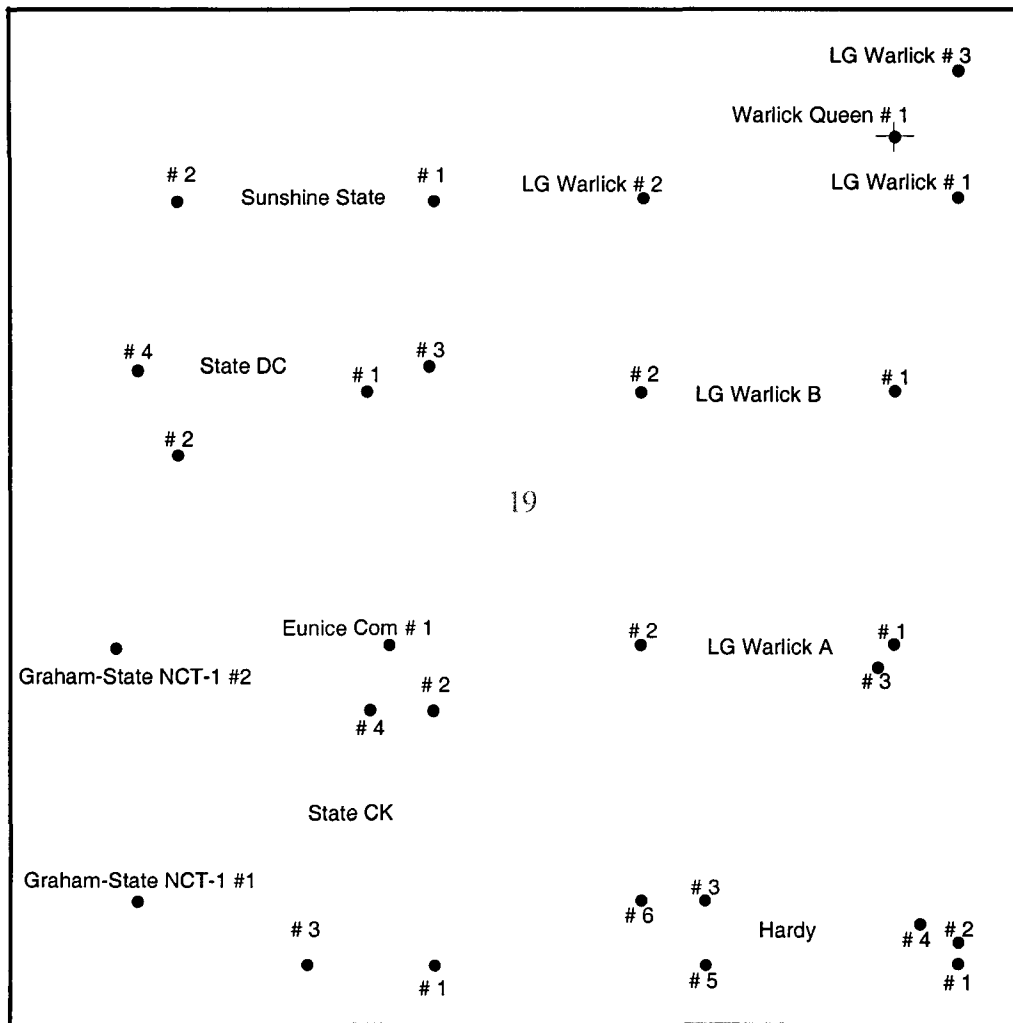
Debra J. Anderson
Sr. Engineering Technician

Attachments

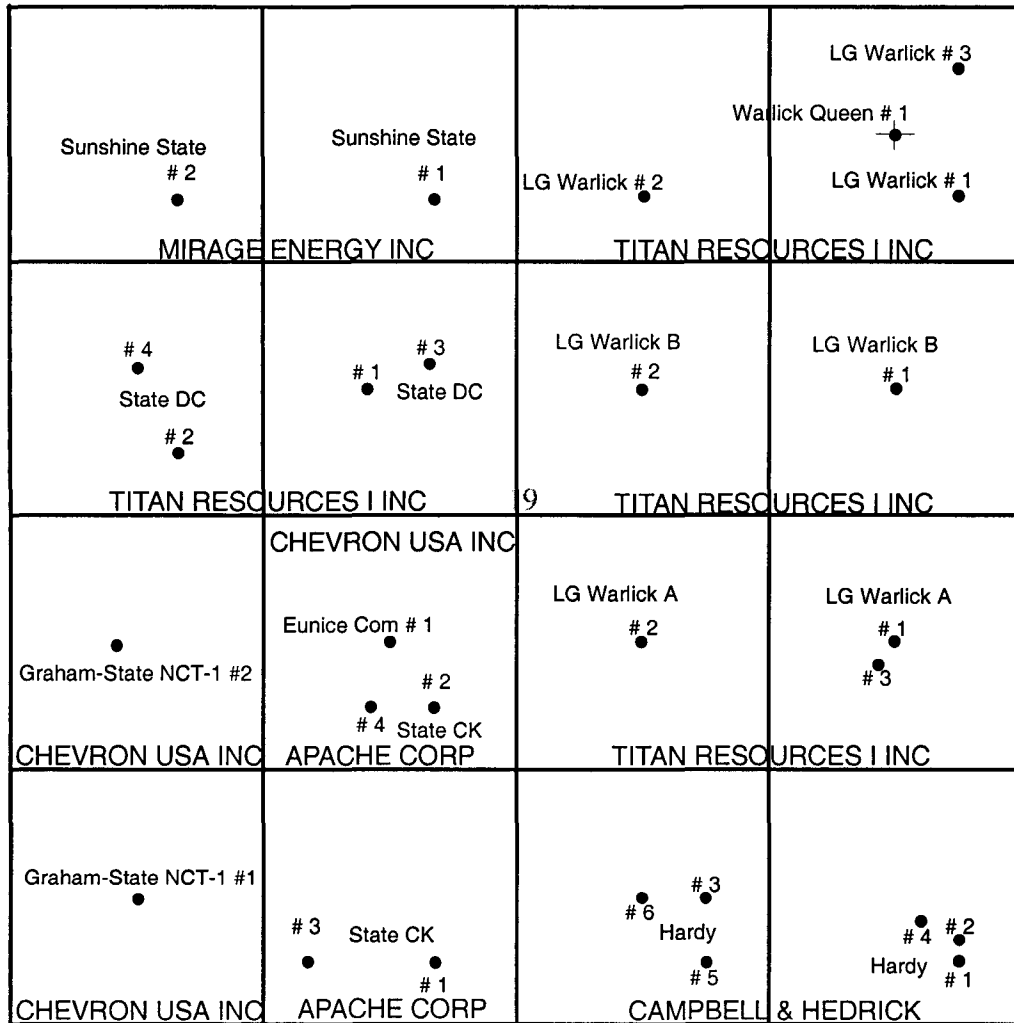
cc: New Mexico Oil Conservation Division
District I
1625 N. French Drive
Hobbs, New Mexico 88240



State CK Lease
Section 19
T-21S, R-37E
Lea County, New Mexico
Scale: 1" = 1000'



Section 19
T-21S, R-37E
Lea County, New Mexico
Scale: 1" = 1000'



Section 19
T-21S, R-37E
Lea County, New Mexico
Scale: 1" = 1000'

STATE CK # 3
OFFSET OPERATORS

Campbell & Hedrick
P O Box 401
Midland, Texas 79702-0401
Certified Mail Rcpt # Z-142-208-247

Mirage Energy Inc.
Box 551
Lovington, New Mexico 88260
Certified Mail Rcpt # Z-142-208-249

Chevron USA Inc
Box 1150
Midland, Texas 79702
Certified Mail Rcpt # Z-142-208-248

Titan Resources I Inc
500 W Texas, Suite 500
Midland, Texas 79701
Certified Mail Rcpt # Z-142-208-250

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

CORPORATION

[713] 296-6000

April 17, 2000

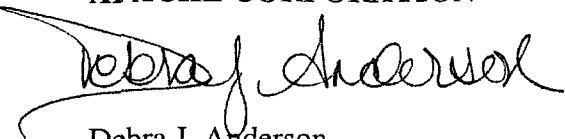
Offset Operator

**Re: Application to Amend NSP-824
State CK No. 3
Blinbry Oil & Gas Pool
Lea County, New Mexico**

Attached please find a copy of an application to amend a Non-Standard Proration Unit that Apache Corporation has filed with the New Mexico Oil Conservation Division. 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

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 5, 1970

Pan American Petroleum Corporation
Post Office Box 68
Hobbs, New Mexico 88240

Attention: Mr. V. E. Staley

Administrative Order NSP-824

Gentlemen:

Reference is made to your application for approval of an 80-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the following acreage:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 19: E/2 SW/4

It is understood that this unit is to be dedicated to your State "CK" Well No. 3, located at an unorthodox location 330 feet from the South line and 1549 feet from the West line of said Section 19.

By authority granted me under the provisions of Order No. R-1670, as amended, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/GMH/esr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe
Proration Department, OCC - Santa Fe