

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 660-6612 (CELL)
(505) 982-2151 (FAX)

jamesbruc@aol.com

April 6, 2004

Hand Delivered

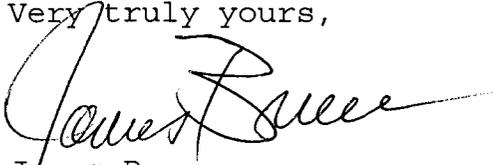
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Apache Corporation, are an original and one copy of an application for pool contraction, etc., together with a proposed advertisement. Please set this matter for the April 29, 2004 Examiner hearing. Thank you.

The proposed advertisement is also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for Apache Corporation

RECEIVED

APR 6 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 13256

RECEIVED

APR 6 2004

APPLICATION OF APACHE CORPORATION FOR
CONTRACTION OF THE HARE-SAN ANDRES
GAS POOL AND EXPANSION OF THE EAST
HARE-SAN ANDRES POOL, AND FOR SPECIAL
POOL RULES FOR THE EAST HARE-SAN
ANDRES POOL, LEA COUNTY, NEW MEXICO.

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case No. 13256

APPLICATION

Apache Corporation applies for an order contracting the horizontal limits of the Hare-San Andres Gas Pool, expanding the horizontal limits of the East Hare-San Andres Pool, and instituting special rules and regulations for the East Hare-San Andres Pool, located in Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an operator of wells completed in the San Andres formation within a mile of the East Hare-San Andres Pool.

2. The Hare-San Andres Gas Pool was created by Division Order No. R-4423, dated November 1, 1972, and currently covers the following acreage:

- Township 21 South, Range 37 East, N.M.P.M.
- Section 10: S½
- Section 15: W½
- Section 21: S½
- Section 22: NE¼ and W½
- Section 27: W½
- Section 28: S½

The Hare-San Andres Gas Pool is developed on statewide spacing, with 160 acre gas well units.

3. The East Hare-San Andres Pool was created by Division Order No. R-10776, dated March 1, 1997, and currently covers the following acreage:

Township 21 South, Range 37 East, N.M.P.M.
Section 10: SE $\frac{1}{4}$

The East Hare-San Andres Pool is developed on statewide spacing, with 40 acre oil well units.

4. Applicant has recently completed three San Andres wells in the S $\frac{1}{2}$ of Section 9 and the NW $\frac{1}{4}$ of Section 16, Township 21 South, Range 37 East, N.M.P.M. The wells are oil wells under Division regulations.

5. Applicant requests that the Hare-San Andres Gas Pool be contracted by deleting therefrom the following acreage:

Township 21 South, Range 37 East, N.M.P.M.
Section 10: S $\frac{1}{2}$

6. Applicant also requests that the East Hare-San Andres Pool be expanded by adding thereto the following acreage:

Township 21 South, Range 37 East, N.M.P.M.
Section 9: S $\frac{1}{2}$
Section 10: SW $\frac{1}{4}$
Section 16: NW $\frac{1}{4}$

7. Applicant further requests that special pool rules be instituted for the East Hare-San Andres Pool, providing for:

- (a) a gas oil ratio of 5,000 cubic feet of gas for each barrel of oil produced; and
- (b) all other rules to comply with statewide rules.

8. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in black ink and is positioned above a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Apache Corporation