

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address APACHE CORP 6120 S. YALE TULSA, OK 74136		2. OGRID Number 873
		3. API Number 30-025-38134
4. Property Code 23112	5. Property Name SOUTHLAND ROYALTY A	6. Well No. 026

**7. Surface Location**

UL - Lot O	Section 4	Township 21S	Range 37E	Lot Idn O	Feet From 920	N/S Line S	Feet From 1650	E/W Line E	County LEA
---------------	--------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

**8. Pool Information**

PENROSE SKELLY;GRAYBURG HARE;SAN ANDRES, EAST	50350 96601
--	----------------

**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3471
14. Multiple Y	15. Proposed Depth 4375	16. Formation San Andres	17. Contractor	18. Spud Date 10/8/2006
Depth to Ground water 63		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 7000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11	8.625	24	400	290	0
Prod	7.875	5.5	17	4375	950	0

**Casing/Cement Program: Additional Comments**

--

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. <b>I further certify that the drilling pit will be constructed according to NMOCD guidelines</b> <input type="checkbox"/> a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Lana Williams Title: Sr. Department Clerk Email Address: lana.williams@apachecorp.com Date: 9/26/2006	OIL CONSERVATION DIVISION	
	Approved By: Gary Wink	
	Title: OCD Reviewer	
	Approved Date: 9/28/2006   Expiration Date: 9/28/2007	
	Conditions of Approval Attached	
	Phone: 918-491-4900	

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 38515

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-38134	2. Pool Code S0350	3. Pool Name PENROSE SKELLY,GRAYBURG
4. Property Code 23112	5. Property Name SOUTHLAND ROYALTY A	6. Well No. 026
7. OGRID No. 873	8. Operator Name APACHE CORP	9. Elevation 3471

**10. Surface Location**

UL - Lot O	Section 4	Township 21S	Range 37E	Lot Idn	Feet From 920	N/S Line S	Feet From 1650	E/W Line E	County LEA
---------------	--------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	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**

	<b>OPERATOR CERTIFICATION</b>
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Lana Williams          Title: Sr. Department Clerk          Date: 9/26/2006</p>
	<b>SURVEYOR CERTIFICATION</b>
	<p><i>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.</i></p> <p>Surveyed By: GARY EIDSON          Date of Survey: 6/24/2006          Certificate Number: 12641</p>

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 38515

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-38134	2. Pool Code 96601	3. Pool Name HARE,SAN ANDRES, EAST
4. Property Code 23112	5. Property Name SOUTHLAND ROYALTY A	6. Well No. 026
7. OGRID No. 873	8. Operator Name APACHE CORP	9. Elevation 3471

**10. Surface Location**

UL - Lot O	Section 4	Township 21S	Range 37E	Lot Idn	Feet From 920	N/S Line S	Feet From 1650	E/W Line E	County LEA
---------------	--------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	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**

	<b>OPERATOR CERTIFICATION</b>
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Lana Williams          Title: Sr. Department Clerk          Date: 9/26/2006</p>
	<b>SURVEYOR CERTIFICATION</b>
	<p><i>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.</i></p> <p>Surveyed By: GARY EIDSON          Date of Survey: 6/24/2006          Certificate Number: 12641</p>

# Permit Conditions of Approval

Operator: APACHE CORP , 873

Well: SOUTHLAND ROYALTY A #026

API: 30-025-38134

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines