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

State of New Mexico

Form C-101 Permit 54044

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.	1. Operator Name and Address				
	873				
	6120 S. YALE TULSA , OK 74136				
4. Property Code	5. Property Name	6. Well No.			
23112	SOUTHLAND ROYALTY A	027			

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	9	215	37E	В	1185	N	1650	E	LEA

8. Pool Information

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PENROSE SKELLY:GRAYBURG	S0350L
FERROSE SKELLI, GRATBURG	1 20229

Additional Well Information

	<u> </u>			0.6	
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3471	
14. Montriple N	15. Proposed Depth	16. Formation Grayburg	17. Contractor	18. Spud Date 6/5/2007	
Depth to Ground 69	water	Distance from nearest fresh water	well	Distance to nearest surface water	
it: Liner: Synthetic [Closed Loop System	mils thick	Clay Pit Volume: bbls	Drilling Method: Fresh Water Brine I	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11	8.625	24	400	300	
Prod	7.875	5.5	17	4150	950	

Casing/Cement Program: Additional Comments

	Casing/Centent Program: Additional Continents
1	
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Proposed Blowout Prevention Program

8	Туре	Working Pressure	Test Pressure	Manufacturer
3	DoubleRam	2000	3000	

I hereby certify that the information given above is true and complete to the bes of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION Approved By: Paul Kautz				
NMOCD guidelines, a general permit, or an (attached) alternative OCD-approved plan					
Printed Name: Electronically filed by Lana Williams	Title: Geologist				
Title: Sr. Department Clerk	Approved Date: 5/23/2007 Expiration Date: 5/23/2008				
Email Address: lana.williams@apachecorp.com	89 N				
Date: 5/22/2007 Phone: 918-491-4900	Conditions of Approval Attached				

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

Form C-102 Permit 54044

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

0.000	and no control of the control				
1. API Number	2. Pool Code		3. Pool Name		
30-025-38416	50350	PENROSE SKELLY;GRAYBURG			
4. Property Code	5. Property Name		6. Well No.		
23112	SOUTHLAND R	027			
7. OGRID No.	8. Operator	9. Elevation			
873	APACHE	3471			

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	9	21S	37E		1185	И	1650	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	To	ownship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
107574755	ated Acres .00		13. 1	foint 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

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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Lana Williams Title: Sr. Department Clerk

Date: 5/22/2007

SURVEYOR CERTIFICATION

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.

Surveyed By: RONALD EIDSON

Date of Survey: 3/19/2007 Certificate Number: 3239

Permit Conditions of Approval

Operator: APACHE CORP, 873
Well: SOUTHLAND ROYALTY A #027

30-025-38416 API:

OCD Reviewer	Condition
DMULL	NSL-5622, 05/08/07, 1185/N & 1650/E, 40 acres, Penrose Skelly Grayburg.