



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

January 22, 2003

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Apache Corporation**  
c/o W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2047

*Administrative Order NSL-4830*

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRV0-300352546*) dated January 2, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including the file on Division Administrative Order PC-289, dated December 7, 1965: all concerning Apache Corporation's request for an unorthodox Grayburg replacement oil well location within a former standard 40-acre oil spacing and proration unit in the Penrose Skelly (Grayburg) Pool (50350) comprising the SW/4 SE/4 (Unit O) of Section 20, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that initial development of Grayburg oil production within this 40-acre unit commenced in the 1937 when Getty Oil Company drilled and completed the D. C. Hardy Well No. 2 (API No. 30-025-06691) at a standard oil well location 660 feet from the South line and 1980 feet from the East line of Section 20. Penrose Skelly (Grayburg) oil production ceased in this well in February, 1970 and in November, 1991 this well was finally plugged and abandoned.

Further, the S/2 SE/4 of Section 20 is a single fee lease with common ownership in which Apache Corporation is the leasehold operator.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other former Penrose Skelly (Grayburg) oil producers within this lease. This replacement well at the proposed unorthodox oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within this 80-acre lease that might not otherwise be recovered.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled as a replacement Grayburg oil well within this former 40-acre unit at an

Administrative Order NSL-4830

Apache Corporation

January 22, 2003

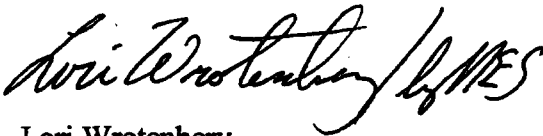
Page 2

---

unorthodox oil well location is hereby approved:

**D. C. Hardy Well No. 6**  
**330' FSL & 1330' FEL.**

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenberg / by MES".

Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Ave., Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

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

Form C-101

**APPLICATION FOR PERMIT TO DRILL**

<b>Operator Name and Address</b> Apache Corporation Two Warren Place, Suite 1500 Tulsa, OK 74136-4224		<b>OGRID Number</b> 873
		<b>API Number</b> 30-25-36114
<b>Property Code</b> 16814	<b>Property Name</b> DC HARDY	<b>Well No.</b> 006

**Surface Location**

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	20	21S	37E		330	S	1330	E	Lea

**Proposed Pools**

PENROSE SKELLY;GRAYBURG 50350
-------------------------------

<b>Work Type</b> New Well	<b>Well Type</b> Oil	<b>Cable/Rotary</b>	<b>Lease Type</b> State	<b>Ground Level Elevation</b> 3482
<b>Multiple</b> N	<b>Proposed Depth</b> 4100	<b>Formation</b> Grayburg	<b>Contractor</b>	<b>Spud Date</b> 1/27/2003

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	325	0
Prod	7.875	5.5	17	4100	825	0

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	3000	Schaefer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Larry Rader

Title: Technical Coordinator

Date: 1/14/2003

Phone: 918-491-4811

**OIL CONSERVATION DIVISION**

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 1/22/2003

Expiration Date: 1/22/2004

Conditions of Approval:

There are conditions. See Attached.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-102

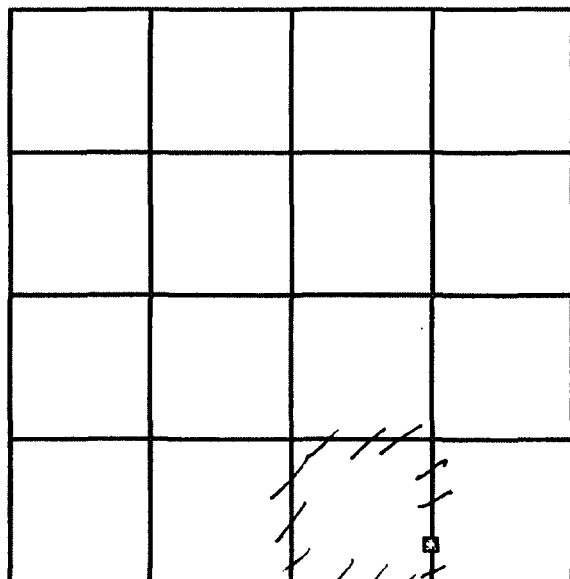
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36114	Pool Name PENROSE SKELLY;GRAYBURG	Pool Code 50350
Property Code 16814	Property Name DC HARDY	Well No. 006
OGRID No. 873	Operator Name Apache Corporation	Elevation 3482

### Surface And Bottom Hole Location

UL or Lot O	Section 20	Township 21S	Range 37E	Lot Idn	Feet From 330	N/S Line S	Feet From 1330	E/W Line E	County Lea
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						



#### OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Electronically Signed By: Larry Rader

Title: Technical Coordinator

Date: 1/14/2003

#### 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.*

Electronically Signed By: RONALD EIDSON

Date of Survey: 11/27/2002

Certificate Number: 3239

**APD Comments****Operator: 873 Apache Corporation****Well: DC HARDY 006**

User Name	Comment	Comment Date
LERADER	We have filed the NSL application on this well and will fax a copy of the NSL application to the District Office.	1/13/2003

**APD Conditions Of Approval****Operator: 873 Apache Corporation****Well: DC HARDY 006**

OCD Reviewer	Condition
DMULL	NSL-4830 (SD)
DMULL	To drill well requires NSL order approved in Santa Fe.

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. <u>30-025-36114</u>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator APACHE CORPORATION		6. State Oil & Gas Lease No.
3. Address of Operator TWO WARREN PLACE, SUITE 1500 6120 S. YALE TULSA, OK 74136-4224		7. Lease Name or Unit Agreement Name:  DC HARDY
4. Well Location  Unit Letter <u>0</u> : <u>330</u> feet from the <u>SOUTH</u> line and <u>1330</u> feet from the <u>EAST</u> line  Section <u>20</u> Township <u>21S</u> Range <u>37E</u> NMPM County <u>LEA</u>		8. Well No. <u>6</u>
		9. Pool name or Wildcat PENROSE SKELLY; GRAYBURG
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3482' GL		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

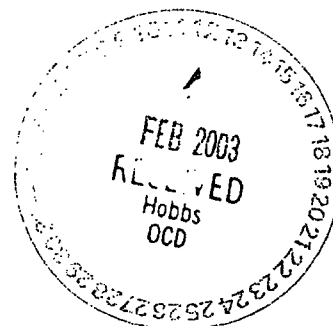
COMMENCE DRILLING OPNS. ☒ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: CMT SURF CSG; TD; SET PROD CSG. ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

PLEASE SEE ATTACHED DRILLING HISTORY.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Larry E. Rader TITLE TECH. COORDINATOR-DRLG. DATE 2/10/03

Type or print name LARRY E. RADER

Telephone No. 918-491-4900

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER

DATE FEB 14 2003

Conditions of approval, if any:

WELL:  
API#

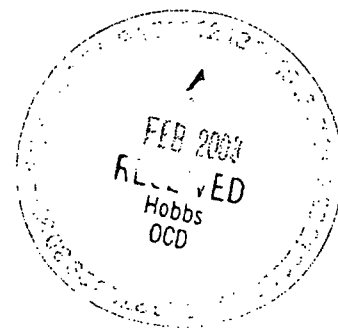
DC HARDY #6  
30-025-36114

2/4/2003 MIRU CAPSTAR RIG #8. SPUD 12-1/4" HOLE @ 11:00 A.M. 2/3/03. DRILL & SURVEY TO 411'. RIH W/ 8-5/8" 24# J55 CASING. CEMENT SHOE @ 411' W/ 325 SX CLASS C + 2% CACL + 0.125 #/SX CELLO FLAKE=78 BBLs 14.8 PPG SLURRY W/ 1.35 CF/SX YIELD. CIRC 79 SX CEMENT TO PIT. WOC.

2/3/03 - 2/7/03 DRILL & SURVEY 411' - 3789'.

2/8/2003 DRILL 3789' - 4100'. RUN LOGS.

2/9/2003 RIH W/ 5-1/2" 17# J55 CASING W/17 CENTRALIZERS. CEMENT SHOE @ 4100' W/ 500 SX 50:50 POZ:CLASS C W/10% GEL + 5% SALT + 0.125#/SX CELLO FLAKE + 0.003 GPS FP-6L=217 BBLs. 11.8 PPG SLURRY W/ 2.44 CF/SX YIELD. TAIL W/ 250 SX 50:50 POZ:CLASS C W/2% GEL + 5% SALT + 0.003 GPS FP-6L=57 BBLs 14.2 PPG SLURRY W/ 1.29 CF/SX YIELD. BUMPED PLUG & HELD. CIRC 157 SX CMT TO PIT. CUT OFF CSG. RELEASE RIG 2/9/03 10:00 A.M.



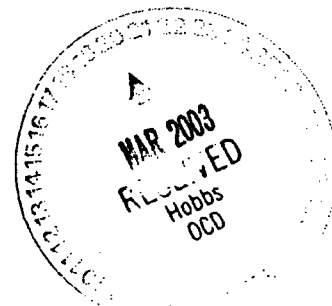


Apache Corporation  
6120 S. Yale Ste 1500  
Tulsa, OK 74136

D.C. Hardy #6  
Lea County, New Mexico

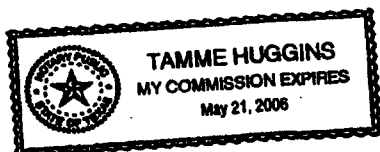
D-20-125-37e  
330/S & 1330/E  
30-025-36114


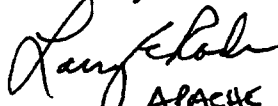
193	1.93	1/2	0.88	1.69	1.69
411	2.18	1	1.75	3.82	5.50
852	4.41	1	1.75	7.72	13.22
1166	3.14	1/2	0.88	2.75	15.97
1568	4.02	3/4	1.31	5.28	21.25
2003	4.35	1	1.75	7.61	28.86
2441	4.38	1 1/2	2.63	11.50	40.36
2910	4.69	1 1/2	2.63	12.31	52.67
3377	4.67	3/4	1.31	6.13	58.80
3688	3.11	1 1/4	2.19	6.80	65.60
4100	4.12	3/4	1.31	5.41	71.01



  
Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 10<sup>th</sup> day of February 2003 by Michael Roghair - General Manager, CapStar Drilling, L.P.



  
Notary Public  
 2/17/03  
APACHE CORPORATION

District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Form C-104  
Revised June 1, 2000

Submit to Appropriate District Office  
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address APACHE CORPORATION 6120 SOUTH YALE, SUITE 1500 TULSA, OKLAHOMA 74136-4224		OGRID Number 000873
API Number 30-025-36114		Reason for Filing Code / Effective Date NW - 02/18/03
Property Code 16814	Pool Name Penrose Skelly Grayburg	Pool Code 50350
	Property Name D C Hardy	Well Number 6

II. Surface Location

Ul or lot no. O	Section 20	Township 21S	Range 37E	Lot. Idn	Feet from the 330	North/South line South	Feet from the 1330	East/West line East	County Lea
--------------------	---------------	-----------------	--------------	----------	----------------------	---------------------------	-----------------------	------------------------	---------------

Bottom Hole Location

Ul or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
Use Code P	Producing Method Code P	Gas Connection Date 2/18/03	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	Navajo Refining Company P O Box 159 Artesia, New Mexico 88210	2479110	O	Unit P, Sec. 20, T-21S, R-37E D C Hardy Battery
024650	Dynegy Midstream Services Ltd 6 Desta Drive, Suite 3300 Midland, Texas 79705	2479130	G	Unit P, Sec. 20, T-21S, R-37E D C Hardy Battery

IV. Produced Water

POD 2479150	POD ULSTR Location and Description Unit P, Sec. 20, T-21S, R-37E, DC Hardy Battery
----------------	---

V. Well Completion Data

Spud Date 2/3/2003	Ready Date 2/18/03	TD 4100'	PBTD 4058'	Perforations 3738 - 3930	DRG, MC
Hole Size 12-1/4	Casing & Tubing Size 8-5/8	Depth Set 411	Sacks Cement 325 sx / circ. 79 sx to pit		
			750 sx / circ. 157 sx to pit		

VI. Well Test Data

Date New Oil 2/18/03	Gas Delivery Date 2/18/03	Test Date 2/25/03	Test Length 24	Tbg. Pressure	Csg. Pressure
Choke Size 95	Oil 182	Water 200	Gas 200	AOF	Test Method Pumping

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Kara Coday*  
Printed Name: Kara Coday  
Title: Sr. Engineering Technician  
Date: 3/17/2003  
Phone: 918-491-4957

OIL CONSERVATION DIVISION

Approved by: *[Signature]*  
Title: PETROLEUM ENGINEER  
Approval Date: APR 23 2003

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature: Printed Name Title Date

Submit to Appropriate District Office

State Lease-6 copies

Fee Lease-5 copies

**DISTRICT I**

1625 N. French Dr., Hobbs, NM 88240

**DISTRICT II**

811 South First, Artesia, NM 88210

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**DISTRICT IV**

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

State of New Mexico  
Energy, Minerals and Natural ResourcesForm C-105  
Revised March 25, 1999OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

WELL APINO.

30-025-36114

5. Indicate Type of Lease

☐ STATE☒ FEE

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

D C Hardy

8. Well No.

6

9. Pool name or Wildcat

Penrose Skelly; Grayburg

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

☒ OIL WELL☐ GAS WELL☐ DRY☐ OTHER

b. Type of Completion:

☒ New Well☐ Workover☐ Deepen☐ Plug Back☐ Diff. Resvr.☐ Other

2. Name of Operator

Apache Corporation

3. Address of Operator

6120 South Yale, Suite 1500 Tulsa, Oklahoma 74136-4224 918-491-4957

4. Well Location

Unit Letter O : 330 Feet From The South Line and 1330 Feet From The East Line  
Section 20 Township 21S Range 37E NMPM Lea County

10. Date Spudded

2/3/2003

11. Date T.D. Reached

2/8/03

12. Date Compl. (Ready to Prod.)

2/18/03

13. Elevations (DP&amp; RKB, RT, GR, etc.)

3482'

GR

14. Elev. Casinghead

15. Total Depth

4100'

16. Plug Back T.D.

4058'

17. If Multiple Compl. How

Many Zones?

18. Intervals

Drilled By

Rotary Tools

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

Grayburg 3738' - 3930'

20. Was Directional Survey Made

21. Type Electric and Other Logs Run

CZD-CNL-GRL, DLL-GRL

22. Was Well Cored

## CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT L.B./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT FULLED
8-5/8	24#	411	12-1/4	325 sx / circ. 79 sx to pit	
5-1/2	17#	4100	7-7/8	750 sx / circ. 157 sx to pit	

24.

## LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25.

## TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8	3980'	

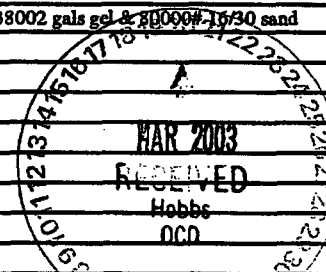
26. Perforation record (interval, size, and number)

Grayburg - 3738-42, 3764-68, 3832-36, 3864-66,  
3880-84, 3900-16, 3920-30

4" - 88 holes

27. ACID SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3738 - 3930	Acidized w/ 2302 Gals 15% HCL
	Pro'd w/ 38002 gals gel & 80000# 15/30 sand



28.

## PRODUCTION

Date First Production 2/18/03		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping - 1.5" Rod Insert					Well Status (Prod./or Shut-in) Producing	
Date of Test 2/25/03	Hours Tested 24	Choke Size	Prod'n Per Test Period	Oil - Bbl. 95	Gas - MCF 200	Water - Bbl. 182	Gas - Oil Ratio 2105	
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)		

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

Apache Corporation

30. List Attachments

Deviation Report / C-104

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Kara Coday

Printed Name

Kara Coday

Title

Sr. Engineering Technician

Date 3/17/2003

## INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division Office not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

## Northwestern New Mexico

T. Anhy	
T. Salt	
B. Salt	
T. Yates	2595
T. 7 Rivers	2853
T. Queen	3384
T. Grayburg	3659
T. San Andres	3989
T. Glorieta	
T. Paddock	
T. Blinebry	
T. Tubb	
T. Drinkard	
T. Abo	
T. Wolfcamp	
T. Penn	
T. Cisco (Bough C)	

T. Canyon	
T. Strawn	
T. Atoka	
T. Miss	
T. Devonian	
T. Silurian	
T. Montoya	
T. Simpson	
T. McKee	
T. Ellenburger	
T. Gr. Wash	
T. Delaware Sand	
T. Bone Springs	
T. Rustler	1218
T.	
T.	
T.	

T. Ojo Alamo	_____
T. Kirtland-Fruitland	_____
T. Pictured Cliffs	_____
T. Cliff House	_____
T. Menefee	_____
T. Point Lookout	_____
T. Mancos	_____
T. Gallup	_____
Base Greenhorn	_____
T. Dakota	_____
T. Morrison	_____
T. Todilto	_____
T. Entrada	_____
T. Wingate	_____
T. Chinle	_____
T. Permian	_____
T. Penn "A"	_____

[illegible]

## OIL OR GAS SANDS OR ZONES

No. 1, from ..... to ..... No. 3, from ..... to .....  
No. 2, from ..... to ..... No. 4, from ..... to .....

## IMPORTANT WATER SANDS

**Include data on rate of water inflow and elevation to which water rose in hole.**

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

ELF 3/20/03  
ABOVE DATE DOES NOT  
INDICATE WHEN  
CONFIDENTIAL LOGS  
WILL BE RELEASED

ELF 3/20/03  
 ABOVE DATE DOES NOT  
 INDICATE WHEN  
 CONFIDENTIAL LOGS  
 WILL BE RELEASED

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505

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

Form C-101

**APPLICATION FOR PERMIT TO DRILL**

Operator Name and Address Apache Corporation Two Warren Place, Suite 1500 Tulsa, OK 74136-4224		OGRID Number 873
		API Number 30-25-36378
Property Code 16814	Property Name DC HARDY	Well No. 007

**Surface Location**

UL or Lot O	Section 20	Township 21S	Range 37E	Lot Idn	Feet From 990	N/S Line S	Feet From 2310	E/W Line E	County Lea
----------------	---------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

**Proposed Pools**

PENROSE SKELLY;GRAYBURG 50350
-------------------------------

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type Private	Ground Level Elevation 3490
Multiple N	Proposed Depth 4800	Formation Grayburg	Contractor	Spud Date

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	325	0
Prod	7.875	5.5	17	4800	930	0

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		<b>OIL CONSERVATION DIVISION</b>	
Electronically Signed By: Larry Rader		Electronically Approved By: Chris Williams	
Title: Technical Coordinator		Title: District Supervisor	
Date: 8/19/2003	Phone: 918-491-4811	Approval Date: 8/22/2003	Expiration Date: 8/22/2004
		Conditions of Approval: No Conditions	

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-102

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-25-36378	Pool Name PENROSE SKELLY;GRAYBURG	Pool Code 50350
Property Code 16814	Property Name DC HARDY	Well No. 007
OGRID No. 873	Operator Name Apache Corporation	Elevation 3490

**Surface And Bottom Hole Location**

UL or Lot O	Section 20	Township 21S	Range 37E	Lot Idn	Feet From 990	N/S Line S	Feet From 2310	E/W Line E	County Lea
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

		<input checked="" type="checkbox"/>	

**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Electronically Signed By: Larry Rader  
Title: Technical Coordinator  
Date: 8/19/2003

**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.*

Electronically Signed By: Ronald Eidson  
Date of Survey: 8/6/2003  
Certificate Number: 3239

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1625 N. French Drive  
Hobbs, NM 88240

Form C-103  
Revised March 25, 1999

WELL API NO. 30-025-36378	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name: DC HARDY	
8. Well No. 7	
9. Pool name or Wildcat PENROSE SKELLY; GRAYBURG	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator APACHE CORPORATION	
3. Address of Operator 6120 South Yale, Suite 1500 Tulsa, OK 74136	
4. Well Location Unit Letter <u>O</u> : 990 feet from the <u>SOUTH</u> line and 2310 feet from the <u>EAST</u> line Section: 20 Township: 21S Range: 37E NMPM County: LEA	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3490 GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

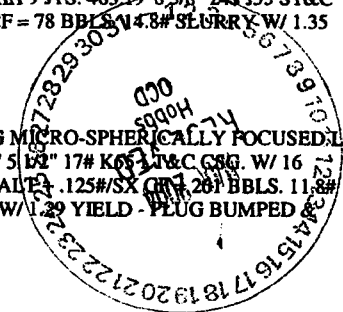
- REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: SPUD, SURF. CSG., TD, LOG, PROD. CSG. ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

3/5/04 9:00 AM - NOTIFY NMOC D INTENT SPUD. SPUD 12 1/4" HOLE. DRILL & SURVEY TO 400'. RIH 9 JTS. 403.19' 8.5/8" 24.5 J55 ST&C CSG. W/ 5 CENTRALIZERS. BJ CMT SHOE @ 400 W/ 325 SX CLASS C + 2% CACL + .125#/SX CF = 78 BBLs. 14.8# SLURRY W/ 1.35 YIELD - DISPLACE PLUG TO 370 W/ 23 BFW - CIRC. 104 SX. CMT. TO PIT.

3/6/04 - 3/11/04 DRILL & SURVEY FROM 400' - 4350'.

3/12/04 HALLIBURTON RAN BOREHOLE COMPENSATED SONIC LOG 4294-3300; DUAL LATEROLOG MICRO-SPHERICALLY FOCUSED LOG 4340-3300; DUAL-SPACED NEUTRON SPECTRAL DENSITY LOG 4269-200. RIH 97 JTS 4359.34' 5 1/2" 17# K65 17&C CSG. W/ 16 CENTRALIZERS. BJ CMT. SHOE @ 4350 - FC @ 4302 W/ 600 SX 50:50 POZ W/ 10% GEL + 5% SALT + .125#/SX CF = 261 BBLs. 11.8# SLURRY W/ 2.44 YIELD & 300 SX 50:50 POZ W/ 2% GEL + 5% SALT = 69 BBLs. 14.2# SLURRY W/ 1.29 YIELD - PLUG BUMPED & HELD - CIRC. 153 SX. CMT. TO PIT - DISPLACE W/ 2% KCL WATER. RELEASE RIG @ 4:00 PM 3/12/2004



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Michelle L. Hanson TITLE Drilling Tech. DATE 3/15/04

Type or print name Michelle L. Hanson

Telephone No. 918-491-4980

(This space for State use)

APPROVED BY Hayward Wink TITLE OCC FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAR 23 2004  
Conditions of approval, if any:

# WELL LOGS

API number:	30-025-36378		
OGRID:		Operator:	APACHE CORP
		Property:	DC HARDY # 7

surface	ULSTR:	O	20	T	21S	R	37E
			990	FSL	2310	FEL	

BH Loc	ULSTR:	O	20	T	21S	R	37E
			990	FSL	2310	FEL	

Ground Level:	3490	DF:	3496	KB:	3497	
Datum:	KB			TD:	4350	

Land: **STATE**

Completion Date: (1) **3/19/2004**  
 Date Logs Received: **5/3/2004** **\*\*Late**  
 Date Logs Due in: (2) **4/8/2004**

Confidential:	NO			Date out:		
---------------	----	--	--	-----------	--	--

Confidential period: 90 Days for State & Fee, 1 Year for federal

Date Due In: (1) is equal to Completion Date (1) + 20 days

Logs	Depth interval		
DSN/SDL	200	4269	Spectral Density Dual Spaced Neutron
DLL/MSFL	3300	4340	Dual Laterolog Micro Spherically Focused Log
BHC	3300	4294	Borehole Compensated Sonic Log

## OCD TOPS

Rustler	1218	Strawn			
Tansill	2460	Atoka			
Yates	2631	Morrow			
7R	2860				
T. Bowers Sd	3177				
B. Bowers Sd	3250				
Queen	3386				
Penrose	3494				
Grayburg	3636				
San Andres	3938				
Glorieta					
Tubb					
Drinkard					
Abo					
Wolfcamp					

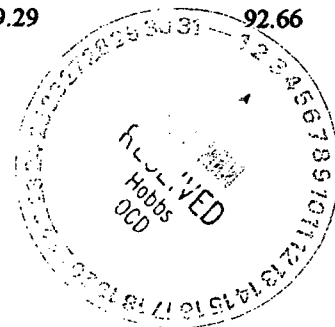


Apache Corporation  
6120 S. Yale Ste 1500  
Tulsa, OK 74136

D.C. Hardy #7  
Lea County New, Mexico

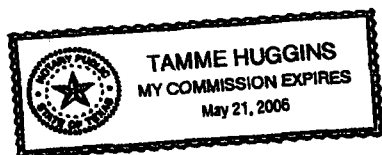
8-20-21s-37e  
990/s & 2310/E  
30-025-36378

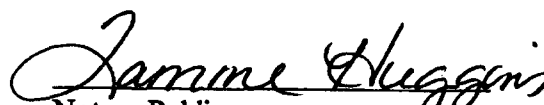
191	1.91	1/4	0.44	0.84	0.84
370	1.79	3/4	1.31	2.35	3.19
846	4.76	1	1.75	8.33	11.52
1312	4.66	1 3/4	3.06	14.27	25.79
1594	2.82	1	1.75	4.94	30.72
2031	4.37	1 1/4	2.19	9.56	40.28
2439	4.08	1 1/2	2.63	10.71	50.99
2845	4.06	1	1.75	7.11	58.10
3315	4.70	2	3.50	16.45	74.55
3819	5.04	1	1.75	8.82	83.37
4350	5.31	1	1.75	9.29	92.66



  
Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 15<sup>th</sup> day of March, 2004 by Michael Roghair - General Manager, CapStar Drilling, L.P.



  
Notary Public



District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Form C-104  
Revised June 1, 2000

Submit to Appropriate District Office  
5 Copies

30-025-36378 ☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator Name and Address APACHE CORPORATION 6120 SOUTH YALE, SUITE 1500 TULSA, OKLAHOMA 74136-4224		<sup>4</sup> OGRID Number 000873
<sup>2</sup> API Number 30-025-36378		<sup>3</sup> Reason for Filing Code / Effective Date NW-3/22/2004
<sup>5</sup> Property Code 16814	<sup>6</sup> Pool Name Penrose Skelly, Grayburg	<sup>7</sup> Pool Code 50350
<sup>8</sup> Property Name D C Hardy		<sup>9</sup> Well Number 7

II. <sup>10</sup> Surface Location

<sup>11</sup> Ul or lot no. O	<sup>12</sup> Section 20	<sup>13</sup> Township 21S	<sup>14</sup> Range 37E	<sup>15</sup> Lot. Idn	<sup>16</sup> Feet from the	<sup>17</sup> North/South line South	<sup>18</sup> Feet from the	<sup>19</sup> East/West line East	<sup>20</sup> County Lea
----------------------------------	-----------------------------	-------------------------------	----------------------------	------------------------	-----------------------------	---	-----------------------------	--------------------------------------	-----------------------------

<sup>11</sup> Bottom Hole Location

<sup>21</sup> Ul or lot no.	<sup>22</sup> Section	<sup>23</sup> Township	<sup>24</sup> Range	<sup>25</sup> Lot. Idn	<sup>26</sup> Feet from the	<sup>27</sup> North/South line	<sup>28</sup> Feet from the	<sup>29</sup> East/West line	<sup>30</sup> County
		990							
<sup>31</sup> Lse Code P		<sup>32</sup> Producing Method Code P		<sup>33</sup> Gas Connection Date 3/22/04		<sup>34</sup> C-129 Permit Number		<sup>35</sup> C-129 Effective Date	<sup>36</sup> C-129 Expiration Date

III. Oil and Gas Transporters

<sup>37</sup> Transporter OGRID	<sup>38</sup> Transporter Name and Address	<sup>39</sup> POD	<sup>40</sup> O/G	<sup>41</sup> POD ULSTR Location and Description
015694	Navajo Refining Company P O Box 159 Artesia, New Mexico 88210	2479110	O	Unit P, Sec. 20, T-21S, R-37E D C Hardy Battery
024650	Dynegy Midstream Services Ltd 6 Desta Drive, Suite 3300 Midland, Texas 79705	2479130	G	Unit P, Sec. 20, T-21S, R-37E D C Hardy Battery

IV. Produced Water

<sup>42</sup> POD 2479150	<sup>43</sup> POD ULSTR Location and Description Unit P, Sec. 20, T-21S, R-37E, DC Hardy Battery
------------------------------	---

V. Well Completion Data

<sup>44</sup> Spud Date 3/5/04	<sup>45</sup> Ready Date 3/22/04	<sup>46</sup> TD 4350	<sup>47</sup> PBDT 4302	<sup>48</sup> Perforations 3832 - 3926	<sup>49</sup> DHC, MC
<sup>50</sup> Hole Size 12-1/4		<sup>51</sup> Casing & Tubing Size 8-5/8		<sup>52</sup> Depth Set 400	<sup>53</sup> Sacks Cement 325 sx / circ. 104 sx to pit
7-7/8		5-1/2		4350	900 sx / circ. 153 sx to pit
2-7/8				4008	

VI. Well Test Data

<sup>54</sup> Date New Oil 3/22/04	<sup>55</sup> Gas Delivery Date 3/22/04	<sup>56</sup> Test Date 4/11/2004	<sup>57</sup> Test Length 24	<sup>58</sup> Tbg. Pressure	<sup>59</sup> Csg. Pressure
<sup>60</sup> Choke Size 25	<sup>61</sup> Oil	<sup>62</sup> Water 279	<sup>63</sup> Gas 268	<sup>64</sup> AOF	<sup>65</sup> Test Method Pumping

<sup>66</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Kara Coday*  
Printed Name: Kara Coday  
Title: Sr. Engineering Technician  
Date: 4/26/2004  
Phone: 918-491-4957

Approved by: *[Signature]*  
Title: PETROLEUM ENGINEER

Approval Date: JUN 18 2004

<sup>67</sup> If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature:	Printed Name	Title	Date
------------------------------	--------------	-------	------

Date 4/26/2004

## INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division Office not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

30-025-36378

30-025-36378

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

## Southeastern New Mexico

## Northwestern New Mexico

T. Anby	_____
T. Salt	_____
B. Salt	_____
T. Yates	2631
T. 7 Rivers	2861
T. Queen	3385
T. Grayburg	3634
T. San Andres	3939
T. Glorieta	_____
T. Paddock	_____
T. Blinebry	_____
T. Tubb	_____
T. Drinkard	_____
T. Abo	_____
T. Wolfcamp	_____
T. Penn	_____
T. Cisco (Bough C)	_____

T. Canyon	_____
T. Strawn	_____
T. Atoka	_____
T. Miss	_____
T. Devonian	_____
T. Silurian	_____
T. Montoya	_____
T. Simpson	_____
T. McKee	_____
T. Ellenburger	_____
T. Gr. Wash	_____
T. Delaware Sand	_____
T. Bone Springs	_____
T. Rustler	1218
T.	_____
T.	_____
T.	_____

T. Ojo Alamo	
T. Kirtland-Fruitland	
T. Pictured Cliffs	
T. Cliff House	
T. Menefee	
T. Point Lookout	
T. Mancos	
T. Gallup	
Base Greenhorn	
T. Dakota	
T. Morrison	
T. Todilto	
T. Entrada	
T. Wingate	
T. Chinle	
T. Permian	
T. Pean "A"	

[illegible]

## OIL OR GAS SANDS OR ZONES

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ No. 4, from \_\_\_\_\_ to \_\_\_\_\_

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from ..... to ..... feet .....

No. 2, from ..... to ..... feet .....

No. 3, from ..... to ..... feet .....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF CONSIDER-  
ING:

CASE NO. 390  
ORDER NO. R-199

THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION UPON  
ITS OWN MOTION FOR AN ORDER (a)  
EXEMPTING CERTAIN POOLS IN EDDY,  
LEA, CHAVES AND ROOSEVELT COUNTIES  
FROM THE PROVISIONS OF RULE 301 AND  
RULE 506 (PARAGRAPH 'D'); AND (b) EXEMPT-  
ING CERTAIN POOLS IN LEA COUNTY FROM  
THE PROVISIONS OF RULE 506 (PARAGRAPH  
'D').

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico, at 9 o'clock a.m. August 19, 1952, and September 16, 1952, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 13th. day of November, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being otherwise fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the following pools in Eddy, Lea, Chaves and Roosevelt Counties, New Mexico, by reason of their low productivity of oil and gas, should be exempted from:

(a) The provisions of Rule 301 of the Commission's Rules and Regulations, said rule pertaining to the filing of Form C-116, Gas-Oil Ratio Test; and

(b) The provisions of Paragraph (d) of Rule 506 of the Commission's Rules and Regulations, said rule pertaining to gas-oil ratio limitations.

Acme, Aid, Anderson, Artesia, Barber, Benson, Black River, Burton, Caprock, Cedar Hills, Chisum-San Andres, Daughterity, Dayton, South Drinkard, Dublin-Devonian, Empire, Forest, Fren, Garrett, Getty, Grayburg-Jackson, Grayburg-Keely, Halfway, Henshaw, High Lonesome, Leo, Leonard, Loco Hills, Loco Hills-Queen, Lusk, West Lusk, North Lynch, East Maljamar, South Maljamar, McMillan, McMillan-Seven Rivers, Millman, Nadine, New Hope, Nichols, P.C.A., Pearsall, Penrose-Skelly, Premier, Red Lake, Robinson, Russell, Santo Nino, San Simon, Sawyer, Shugart, North Shugart, Square Lake, Teas, Turkey Track, East Turkey Track, West Turkey Track, Turkey Track-Seven Rivers, Watkins, Watkins-Grayburg, North Wilson, and Young.

(3) That the following pools in Lea County, New Mexico, because of their low productivity of gas should be exempted from the provisions of Rule 506, Paragraph (d), of the Commission's Rules and Regulations, pertaining to gas-oil ratio limitations.

Baish, Cooper-Jal, South Eunice, Hardy, Lynch, Langlie-Mattix, Maljamar-Paddock, Rhodes, Wilson, West Wilson, Crossroads, Bagley-Siluro-Devonian, East Caprock-Devonian, and Knowles.

IT IS THEREFORE ORDERED:

(1) That the following pools in Eddy, Lea, Chaves and Roosevelt Counties be and the same hereby are exempted from the provisions of Rule 301 of the Commission's Rules and Regulations and from the provisions of Rule 506, Paragraph (d), of the Commission's Rules and Regulations:

Acme, Aid, Anderson, Artesia, Barber, Benson, Black River, Burton, Caprock, Cedar Hills, Chisum-San Andres, Daughterity, Dayton, South Drinkard, Dublin-Devonian, Empire, Forest, Fren, Garrett, Getty, Grayburg-Jackson, Grayburg-Keely, Halfway, Henshaw, High Lonesome, Leo, Leonard, Loco Hills, Loco Hills-Queen, Lusk, West Lusk, North Lynch, East Maljamar, South Maljamar, McMillan, McMillan-Seven Rivers, Millman, Nadine, New Hope, Nichols, P.C.A., Pearsall, Penrose-Skelly, Premier, Red Lake, Robinson, Russell, Santo Nino, San Simon, Sawyer, Shugart, North Shugart, Square Lake, Teas, Turkey Track, East Turkey Track, West Turkey Track, Turkey Track-Seven Rivers, Watkins, Watkins-Grayburg, North Wilson, and Young.

(2) That the following pools in Lea County, New Mexico, be and the same hereby are exempted from the provisions of Rule 506, Paragraph (d), of the Commission's Rules and Regulations:

-3-

Case No. 390

Order No. R-199

Baish, Cooper-Jal, South Eunice, Hardy, Lynch, Langlie-Mattix, Maljamar-Paddock, Rhodes, Wilson, West Wilson, Crossroads, Bagley-Siluro-Devonian, East Caprock-Devonian, and Knowles.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

S E A L

Rule 301 requires G.O.R. test, and filing of C116  
Rule 506 establishes 2000 to 1 as the statewide  
G.O.R. limit.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. - 308  
ORDER NO. R-98-B

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO ON ITS OWN  
MOTION FOR AN ORDER (a) REVISING AND  
AMENDING SECTIONS 'G', 'H', 'J', 'M', 'N',  
AND 'O' OF ORDER NO. 850; AND (b) PERMITT-  
ING THE ADOPTION OF SUCH OTHER CHANGES  
AND AMENDMENTS IN OTHER RULES NECESSARY  
AND PROPER TO GIVE FULL FORCE AND EFFECT  
TO THE REVISIONS AND AMENDMENTS CONTEM-  
PLATED.

NUNC PRO TUNC ORDER OF THE COMMISSION

It appearing to the Commission that the order heretofore entered in the  
above entitled cause is not a correct memorial of the judgment as rendered and  
announced by this Commission in that Appendix B of said order, through inadvertence  
and clerical error, established gas-oil ratio limits pursuant to Rule 506, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	2000
Eunice, South	2000
Penrose-Skelly	2000
Vacuum	2000

when it should have been shown, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No Limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly,  
Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now  
primarily gas reservoirs; Provided that the oil produced with the gas shall not  
be in excess of the current top unit allowable; and provided further that the gas pro-  
duced from said pools shall be put to beneficial use so as not to constitute waste,  
except as to proration units in said pools for which there are no facilities for the  
marketing or application to beneficial use of the gas produced therefrom. As to  
such proration units the limiting gas-oil ratio in effect immediately prior to the



effective date of the order herein shall apply.

THEREFORE, it is hereby ordered that the order heretofore entered by this Commission in the above entitled cause on June 24, 1952, be, and the same hereby is corrected to conform to the actual findings announced and rendered by the Commission by modifying Appendix B to read, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly, Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now primarily gas reservoirs; Provided that the oil produced with the gas shall not be in excess of the current top unit allowable; and provided further that the gas produced from said pools shall be put to beneficial use so as not to constitute waste, except as to proration units in said pools for which there are no facilities for the marketing or application to beneficial use of the gas produced therefrom. As to such proration units the limiting gas-oil ratio in effect immediately prior to the effective date of the order herein shall apply, and said order in all other respects is hereby ratified and confirmed, and,

IT IS FURTHER ORDERED, That this order correcting the record of said order be entered nunc pro tunc as of the 24th day of June, 1952, that being the date when said order was originally made and entered.

DONE this 24th day of July, 1952.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

S E A L