

DATE 11/20/01	SUSPENSE 12/10/01	ENGINEER M.S	LOGGED IN KV	TYPE <i>Amend</i> NSP	APP NO. 0132546671
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSP-Non-Standard Location] [NSL-Non-Standard Proration Unit] [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]

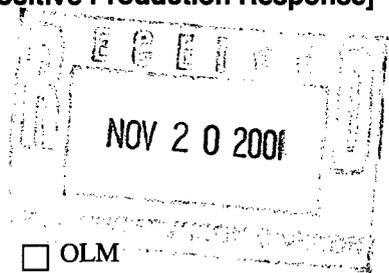
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

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

[D] Other: Specify \_\_\_\_\_



[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Lee R. White  
 Print or Type Name

*Lee R. White*  
 Signature

Engineering Manager  
 Title

11/19/01  
 Date

Lee.White@Apachecorp.com  
 e-mail Address



November 19, 2001

Attn: Michael E. Stogner  
State of New Mexico  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application to Amend the Non-Standard Proration Unit  
Administrative Order NSP-1823 (L) (SD)  
Owen 'B' No. 4 and No. 6  
Blinebry Oil & Gas Pool (Pro Gas) (72480)  
Lea County, New Mexico**

Apache Corporation respectfully requests administrative approval to amend the referenced Non-Standard proration unit in the Blinebry Oil & Gas Pool (Pro Gas). We request a reduction from a 120-acre proration unit to 80-acres and simultaneous dedication of the 80 acres to the Owen 'B' No. 4 and Owen 'B' No. 6. The 80-acres consists of the E/2 SW/4 of Section 34, Township 21 South, Range 37 East.

To support this request we submit the following information:

- 1) Apache recently directionally drilled the Owen 'B' No. 10 well and completed it in the Blinebry Oil & Gas pool. The well was permitted as a gas well and included in the Non-Standard proration unit referenced but is producing 14 BOPD x 370 MCFD which classifies it ~~as an oil well~~.
- 2) Owen 'B' No. 10 is located 1137' FSL & 495' FWL of Section 34 at the surface and 2222' FSL & 706' FWL at the bottom. The well is perforated in the Blinebry pool 5606' - 5853'. The top perfs are located 2168' FSL & 692' FWL and the bottom perfs are located 2190' FSL & 698' FWL of Section 34. The proration unit from which the No. 10 well is producing is Unit L. This unit is included in the existing 120-acre non-standard proration unit.

- 3) Please note your correspondence, dated May 22, 2001, to correct the existing NSP-1823 (L) (SD) identifies the unit as consisting of the W/2 SW/4 and SE/4 SW/4 of Section 34. The non-standard unit in fact consists of the N/2 SW/4 and SE/4 SW/4 of Section 34. Unit M of Section 34, the SW/4 SW/4 of Section 34 is dedicated to the Owen 'B' No. 1 well, classified as an oil well in the Blinebry Oil & Gas pool.
- 4) Owen 'B' No. 4 located at a standard gas well location 660' FSL & 1980' FWL (Unit N) of Section 34 and Owen 'B' No. 6 located at an unorthodox location 1980' FSL & 2180' FWL (Unit K) of Section 34 have a combined marginal production rate of 190 – 200 MCFD and are located on the east 80-acres of the Owen 'B' lease which consists of 160-acres in its entirety.
- 5) NM-OCD Form C-102 for the Owen 'B' No. 4
- 6) NM-OCD Form C-102 for the Owen 'B' No. 6
- 7) Plats of Section 34 with Owen 'B' Lease (consisting of 160 acres) outlined
- 8) Copy of letter sent (by Certified Mail) to all Offset operators in Section 34

If you have any questions or require additional information regarding this application, please contact me at 713-296-6338 or via e-mail at [Debra.Anderson@apachecorp.com](mailto:Debra.Anderson@apachecorp.com) Thank you.

Sincerely,

**APACHE CORPORATION**



Debra J. Anderson  
Sr. Engineering Technician

Attachments

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 18, 1994  
Instruction on Back

District II  
P O Drawer DD, Artesia, NM 88210

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

AMENDED REPORT

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number 30-025-06999		2 Pool Code 72480		3 Pool Name Blinebry Oil and Gas (Pro Gas)	
4 Property Code 22879		5 Property Name Owen 'B'			6 Well Number 4
7 OGRID No. 000873		8 Operator Name Apache Corporation			9 Elevation 3435

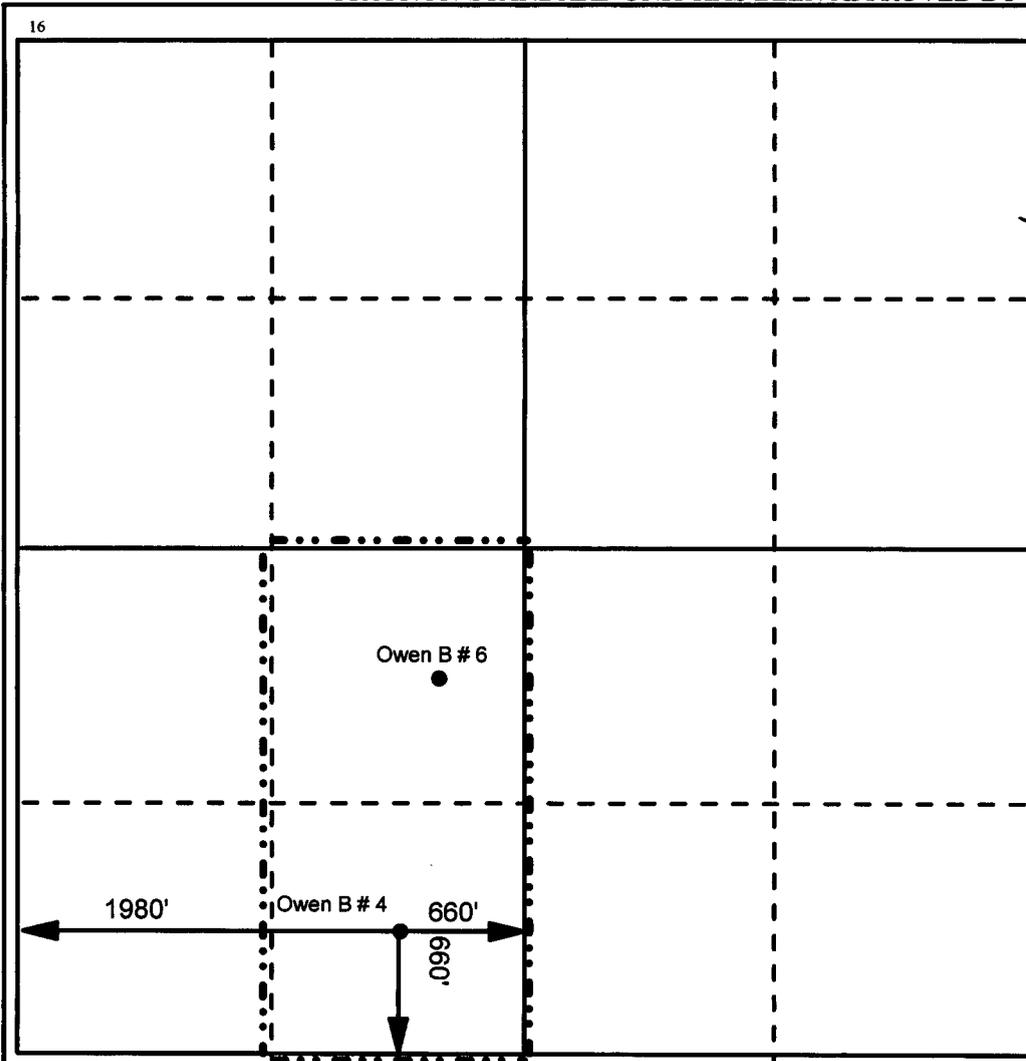
**10 Surface Location**

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	34	21S	37E		660	South	1980	West	Lea

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

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 80		13 Joint or Infill		14 Consolidation Code		14 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



**17 OPERATOR CERTIFICATION**

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

Signature: *Debra J. Anderson*

Printed Name: Debra J. Anderson

Title: Sr. Engineering Technician

Date: 11/19/01

**18 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.

Date Surveyed

Signature and Seal of Professional Surveyor

Certificate Number

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 18, 1994  
Instruction on Back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District II  
P O Drawer DD, Artesia, NM 88210

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

AMENDED REPORT

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-025-34321</b>		2 Pool Code <b>72480</b>		3 Pool Name <b>Blinebry Oil and Gas (Pro Gas)</b>	
4 Property Code <b>22879</b>		5 Property Name <b>Owen 'B'</b>			6 Well Number <b>6</b>
7 OGRID No. <b>000873</b>		8 Operator Name <b>Apache Corporation</b>			9 Elevation <b>3429</b>

**10 Surface Location**

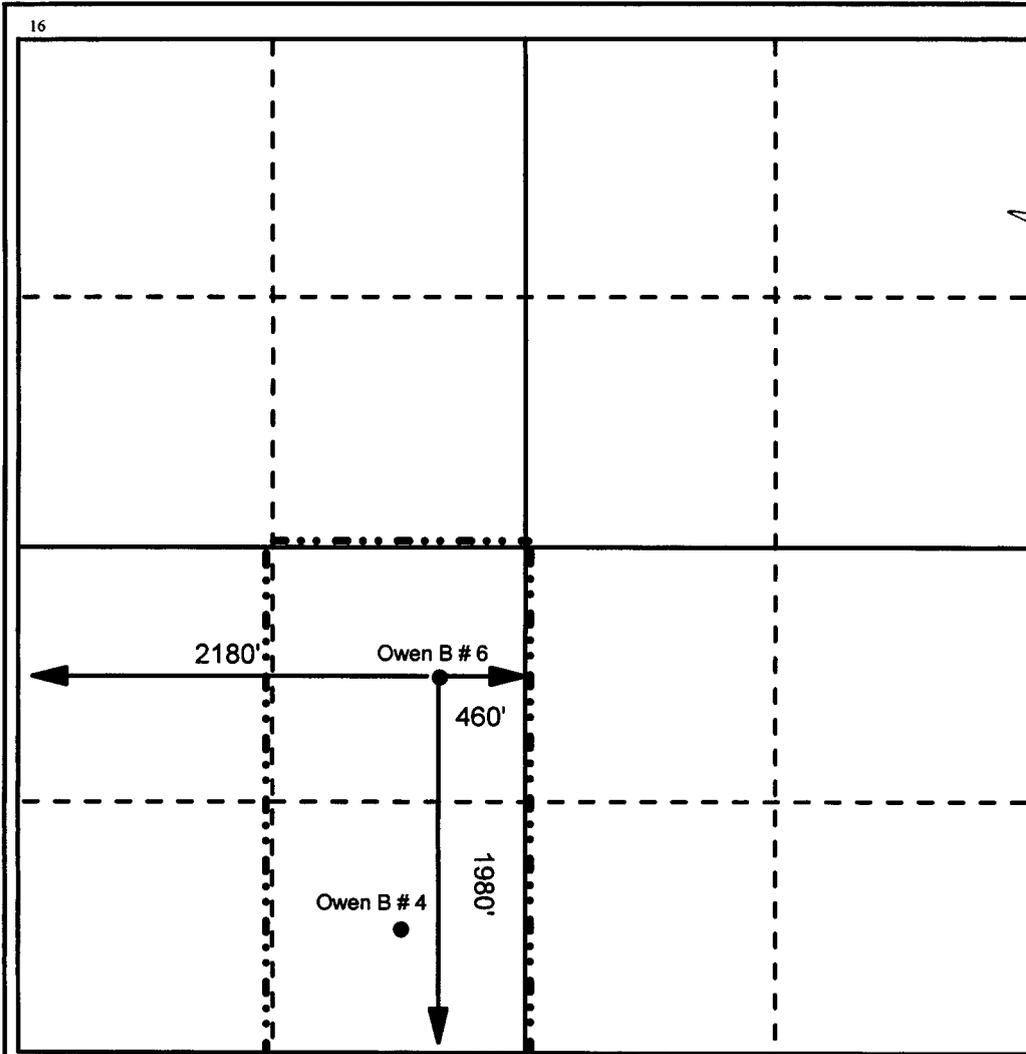
UL or Lot No. <b>K</b>	Section <b>34</b>	Township <b>21S</b>	Range <b>37E</b>	Lot Idn	Feet from the <b>1980</b>	North/South line <b>South</b>	Feet from the <b>2180</b>	East/West line <b>West</b>	County <b>Lea</b>
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**11 Bottom Hole Location If Different From Surface**

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres <b>80</b>	13 Joint or Infill	14 Consolidation Code	14 Order No.
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**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**



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

Signature  
*Debra J. Anderson*

Printed Name  
**Debra J. Anderson**

Title  
**Sr. Engineering Technician**

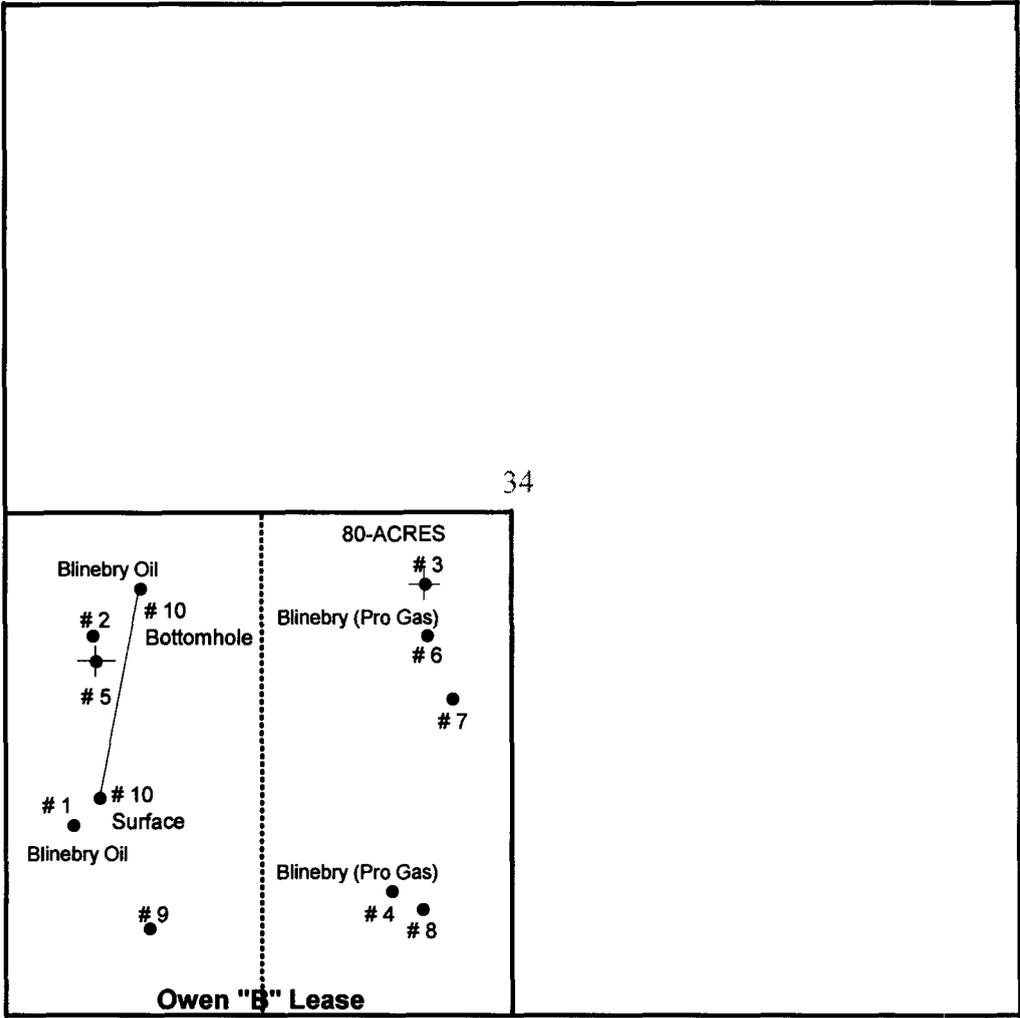
Date  
**11/19/01**

**18 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.*

Date Surveyed

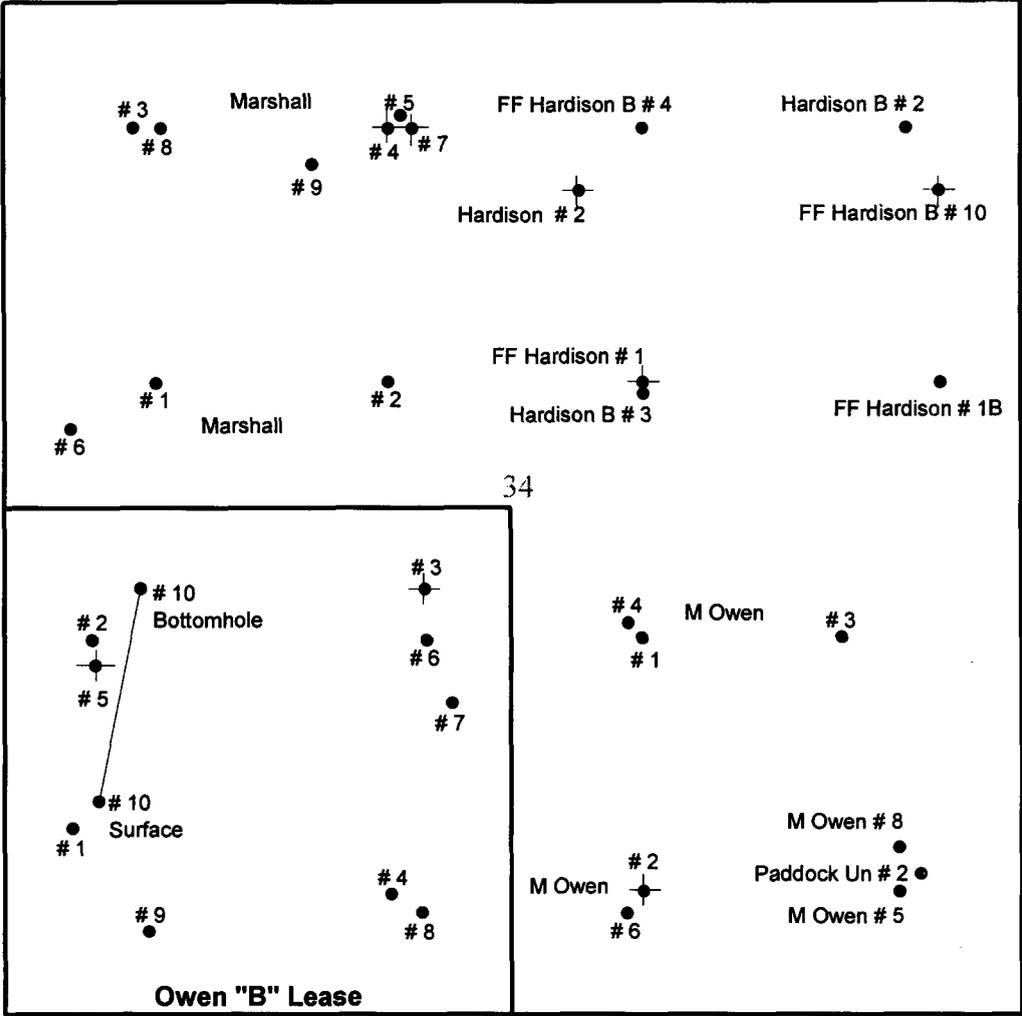
Signature and Seal of Professional Surveyor

Certificate Number





**OWEN 'B' LEASE**  
**NO. 4 AND NO.6**  
**NON-STANDARD PRORATION UNIT**  
**SECTION 34 / T21S / R37E**  
**LEA COUNTY, NEW MEXICO**  
**SCALE: 1" = 1000'**

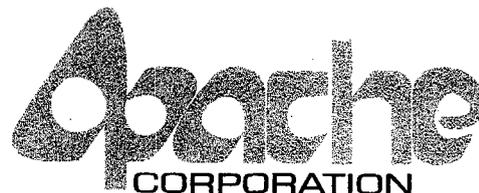




**Apache**  
CORPORATION

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SECTION 34  
T21S - R37E  
LEA COUNTY, NEW MEXICO  
SCALE: 1" = 1000'



November 19, 2001

Offset Operators

**Re: Application to Amend Non-Standard Proration Unit  
NSP-1823 (L) (SD)  
Owen 'B' Lease  
Well No. 4 and No. 6  
Blinebry Oil & Gas (Pro Gas) Pool  
Lea County, New Mexico**

Attached please find a copy of an application to amend the existing 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

Attachments

**OFFSET OPERATORS  
OWEN 'B' LEASE  
SECTION 34  
T-21S, R-37E  
LEA COUNTY, NEW MEXICO**

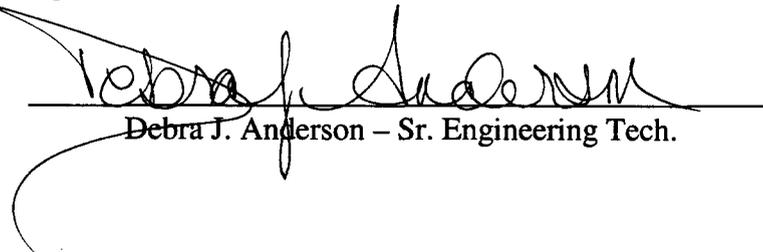
Chevron USA Inc.  
P O Box 1150  
Midland, Texas 79702  
Certified Receipt # 7000-2870-0000-2222-3689

ExxonMobil  
P O Box 4697  
Houston, Texas 77210-4697  
Certified Receipt # 7000-2870-0000-2222-3696

John H Hendrix Corporation  
Box 3040  
Midland, Texas 79702-3040  
Certified Receipt # 7000-2870-0000-2222-3702

Titan Resources  
500 W. Texas, Suite 500  
Midland, Texas 79701  
Certified Receipt # 7000-2870-0000-2222-3719

A copy of the application to amend the non-standard proration unit was mailed to the Offset Operators above on November 19, 2001.

  
\_\_\_\_\_  
Debra J. Anderson – Sr. Engineering Tech.

11-19-01  
\_\_\_\_\_  
Date