



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

October 31, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Apache Corporation
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Administrative Order NSL-4955 (SD)

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-328843404*) dated October 28, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Apache Corporation's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SE/4 SE/4 (Unit P) of Section 9, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), 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.

This 40-acre Grayburg unit is currently dedicated to Apache Corporation's Hawk "B-1" Well No. 27 (API No. 30-025-35806) located at a standard oil well location 830 feet from the South line and 900 feet from the East line of Section 9.

It is our understanding that the E/2 SW/4 and the SE/4 of Section 8 and the E/2 NW/4 and the S/2 of Section 9, both in Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico, comprise a single federal lease (U. S. Government lease No. NM-90161) with common mineral interest in which Apache Corporation is the leasehold operator; therefore, there are no adversely effected offsets to the subject 40-acre tract within the Grayburg interval.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other offsetting Penrose Skelly (Grayburg) oil producers within this Federal lease. The proposed infill oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within the Hawk "B-1" federal 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 at an unorthodox "infill" oil well location within the SE/4 SE/4 (Unit P) of Section 9 is hereby approved:

**Hawk "B-1" Well No. 36
1310' FS & EL.**

Apache Corporation
October 31, 2003
Page 2

Division Administrative Order NSL-4955 (SD)

Further, both the existing Hawk "B-1" Well No. 27 and the proposed Hawk "B-1" Well No. 36 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a large, sweeping flourish that extends downwards and to the right.

Lori Wrotenbery
Director

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad

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

Form 3160-4
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-1037

Expires: November 30, 2000

5. Lease Serial No.

NM-90161

1a. Type of Well:

☒ Oil Well

☐ Gas Well

☐ Dry

☐ Other

b. Type of Completion:

☐ New Well

☐ Workover

☐ Deepen

☒ Plug Back

☐ Diff. Resvr.

☐ Other

Grayburg

2. Name of Operator

Apache Corporation

3. Address

6120 S. Yale, Suite 1500, Tulsa, OK 74136

3a. Phone No. (Include area code)

918-491-4957

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface

1310' FSL, 1310' FEL, Unit P (SE/4, SE/4)

At top prod. interval reported below

At total depth

14. Date Spudded

2/3/2004

15. Date T.D. Reached

2/10/2004

16. Date Completed

☐ D & A

☒ Ready to Produce

06/08/04

17. Elevations (DF, RKB, RT, GL)*

3478' GL

18. Total Depth:

MD

4743'

19. Plug Back T.D.:

MD

4080'

20. Depth Bridge Plug Set:

MD

TVD

TVD

TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CSL, DSN-SDL

22. Was well cored?

☒ No

☐ Yes (Submit analysis)

Was DST run?

☒ No

☐ Yes (Submit report)

Directional Survey?

☒ No

☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Shurry Vol (BBL)	Cement Top*	Amount Pulled
12-1/4	8-5/8	24#	0	443'		375	90	Ci to surf	
7-7/8	5-1/2	17#	0	4740'		1000	92	Ci to surf	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8	4034'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
Grayburg	3817		3817 - 3996	4"	20	(Producing)

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
4108-55	Acidized w/ 3000 gals HCL
4080'	RBP
3817-3996	Acidized w/ 2000 gals HCL
3817-3996	Frac'd w/ 48762 gals gel & 100,000# 20/40 sand

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
6/8/04	7/2/2004	24	→	75	162	122	38.8		Pumping
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→					Producing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

(See instructions and spaces for additional data on reverse side)

ACCEPTED FOR RECORD

(ORIGINAL) DAVID R. GLASS

JUL 27 2004

DAVID R. GLASS
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

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

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, Etc.	Name	Top Measured Depth
				Rustler	1288
				Yates	2652
				Seven Rivers	2870
				Queen	3449
				Grayburg	3735
				San Andres	4002

32. Additional remarks (include plugging procedure):

33. Mark enclosed attachments:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
- ☐ Sundry Notice / Plugging / Cement Verification
 ☐ Core Analysis
 ☒ Other NM-OCD C-104

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions).

Name (please print) Kara CodyTitle Sr. Engineering TechSignature Kara CodyDate 7/16/2004

Title 18 U.S.C. Section 1001 and title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious fraudulent statements or representations as to any matter within its jurisdiction.

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-104
Revised June 1, 2000OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

Submit to Appropriate District Office

5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address APACHE CORPORATION 6120 S YALE, SUITE 1500 TULSA, OK 74136		OGRID Number 000873
API Number 30-025-36530		Reason for Filing Code / Effective Date RC-6/8/2004
Pool Name Penrose Skelly: Grayburg	Pool Code 50350	
Property Code 24427	Property Name Hawk B-1	Well Number 36

II. Surface Location

UI or lot no. P	Section 9	Township 21S	Range 37E	Lot. Idn	Feet from the 1310	North/South line South	Feet from the 1310	East/West line East	County Lea
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Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lse Code F	Producing Method Code P	Gas Connection Date 3/2/2004	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
037480	EOTT ENERGY PIPELINE LP P O BOX 4666 HOUSTON, TX 77210-4666	0768710	O	K, Sec. 9, T21S, R37E
024650	DYNEGY MIDSTREAM SERVICES 1000 LOUISIANA, SUITE 5800 HOUSTON, TX 77002	0768730	G	K, Sec. 9, T21S, R37E

IV. Produced Water

POD 0768750	POD ULSTR Location and Description K, Sec. 9, T21S, R37E
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V. Well Completion Data

Spud Date 2/3/2004	Ready Date 6/8/2004	TD 4743'	PBTD 4080'	Perforations 3817-3996	Sacks Cement
Hole Size 12-1/4	Casing & Tubing Size 8-5/8	Depth Set 443'	375 sx / circ to surface		
7-7/8	5-1/2	4740'	1000 sx / circ to surface		
	2-7/8	4034'			

VI. Well Test Data

Date New Oil 6/8/04	Gas Delivery Date 6/8/04	Test Date 7/2/2004	Test Length 24	Tbg. Pressure 162	Csg. Pressure
Choke Size 75	Oil 122	Water	Gas	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:

Printed Name:

Kara Coday

Title:

Sr. Engineering Technician

Date: 7/16/2004

Phone: (918) 491-4957

Approved by:

Title:

Approval Date:

OIL CONSERVATION DIVISION

PETROLEUM ENGINEER

SEP 01 2004

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

UNITED STATES
New Mexico Oil Conservation Division, District I
DEPARTMENT OF THE INTERIOR
1635 N. French Drive
BUREAU OF LAND MANAGEMENT
Hobbs, NM 88240

FORM AP-1110
Bureau Form 1004-0135
March 11, 1995

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Apache Corporation

3. Address and Telephone No

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1310' FSL, 1310' FEL, Unit P (SE/4, SE/4)
Sec. 9, T-21S, R37E

5. Lease Designation and Serial No

NM-90161

6. If Indian, Name of Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No

Hawk B-1 #36

9. API Well No

30-025-36530

10. Field and Pool, or Exploratory Area

Penrose Skelly, Grayburg

11. County or Parish, State

Lea County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note. Report results of multiple completion on Well
Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

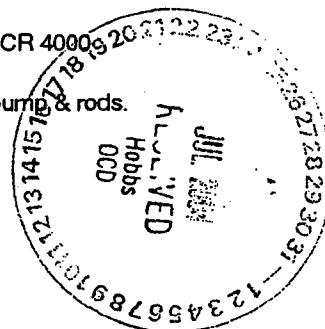
6/3/2004 POH w/ rods. NUBOP. POH w/ tbg. Perf 3817-20', 3860-62', 3916-18', 3937-39', 3987-90', 3994-96'

6/4/2004 Acidized w/ 3000 gals 15% HCL BXDX

6/7/2004 Set RBP @ 4080'. Tested to 5000#. Frac'd w/ 48,762 gals SFG-3000 & 100,000# 20/40 CR 4000

6/8/2004 RIH w/ tbg & SN. Tag sand @ 3806'. Wash sand to 4060'. Raise SN to 4034'. RIH w/ pump & rods.
Leave well pumping to battery.

Evaluating for Downhole-Commingle



14. I hereby certify that the foregoing is true and correct

Signed

Kane Coda

Title Sr. Engineering Technician

Date

7/14/2004

(This space for Federal or State Office Use)

Approved by

Conditions of approval, if any:

(ORIG. SGD) DAVID R. GLASS

Title

Date

JUL 27 2004

Title 18 U.S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DAVID R. GLASS
PETROLEUM ENGINEER

*See Instruction on Reverse Side

ZA Wildcat San Andres

DAVID R. GLASS
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tubing Pressure Flwg. SI	Casing Pressure	24 Hour Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

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

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, Etc.	Name	Top Measured Depth
				Rustler	1288
				Yates	2652
				Seven Rivers	2870
				Queen	3449
				Grayburg	3735
				San Andres	4002

32. Additional remarks (include plugging procedure):

33. Mark enclosed attachments:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
 ☐ Sundry Notice / Plugging / Cement Verification
 ☐ Core Analysis
 ☒ Other Deviation Rpt/NM-OCD C-104

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Kara CodayTitle Sr. Engineering TechSignature Kara CodayDate 3/29/2004

Title 18 U.S.C. Section 1001 and title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious fraudulent statements or representations as to any matter within its jurisdiction.

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 S YALE, SUITE 1500 TULSA, OK 74136		DESIGNATED BELOW. IF YOU DO NOT CONCUR NOTIFY THIS OFFICE.		OGRID Number 000873
API Number 30-025-36530		Well Name Wildcat		Reason for Filing Code / Effective Date NW-3/2/04
Property Code 24427		Property Name Harc. San Andres Northwest (96835)		Pool Code 97351
		Well Number 36		

II. Surface Location

UI or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	9	21S	37E		1310	South	1310	East	Lea

Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lse Code F		Producing Method Code P		Gas Connection Date 3/2/2004		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
037480	EOTT ENERGY PIPELINE LP P O BOX 4666 HOUSTON, TX 77210-4666	0768710	O	K, Sec. 9, T21S, R37E
024650	DYNEGY MIDSTREAM SERVICES 1000 LOUISIANA, SUITE 5800 HOUSTON, TX 77002	0768730	G	K, Sec. 9, T21S, R37E

IV. Produced Water

POD 0768750	POD ULSTR Location and Description K, Sec. 9, T21S, R37E
-----------------------	--

V. Well Completion Data

Spud Date 2/3/2004	Ready Date 3/2/2004	TD 4743'	Perforations 4695' - 4108 - 4155	DHC, MC
Hole Size 12-1/4	Casing & Tubing Size 8-5/8	Depth Set 443'	Sacks Cement 375 sx / circ to surface	
7-7/8	5-1/2	4740'	1000 sx / circ to surface	
	2-7/8	4228'		

VI. Well Test Data

Date New Oil 3/2/04	Gas Delivery Date 3/2/04	Test Date 3/19/2004	Test Length 24	Tbg. Pressure 241	Csg. Pressure
Choke Size	Oil 3	Water 292	Gas	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: **3/29/2004** Phone: **(918) 491-4957**

OIL CONSERVATION DIVISION

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

Approval Date:

APR 19 2004

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

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

Hawk B-1 #36
Lea County New, Mexico

P- 9. 215 - 37e
1310/S & 1310/E

30-025-36530

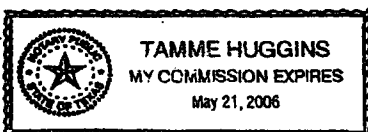
220	2.20	1/4	0.44	0.96	0.96
432	2.12	3/4	1.31	2.78	3.75
941	5.09	1	1.75	8.91	12.65
1436	4.95	3/4	1.31	6.50	19.15
1936	5.00	3/4	1.31	6.56	25.71
2434	4.98	2	3.50	17.43	43.14
2954	5.20	1/2	0.88	4.55	47.69
3450	4.96	3/4	1.31	6.51	54.20
3949	4.99	3/4	1.31	6.55	60.75
4446	4.97	1 1/2	2.63	13.05	73.80
4732	2.86	1	1.75	5.01	78.80



Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 13th day of February, 2004 by Michael Roghair - General Manager, CapStar Drilling, L.P.

Tamme Huggins
Notary Public



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.	NMNM90161
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	HAWK B-1 #36
9. API Well No.	30-025-36530
10. Field and Pool, or Exploratory Area	PENROSE SKELLY; GRBG, HARE; SAN ANDRES (GAS)
11. County or Parish, State	LEA, TX

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator APACHE CORPORATION	
3a. Address 6120 S. YALE, STE 1500 TULSA, OK 74136	3b. Phone No. (include area code) 918-491-4980
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) AT SURFACE 1310FSL 1310FEL AT PROPOSED PROD. ZONE 1310FSL 1310FEL	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SPUD, SURF. CSG, LOG, PROD. CSG.
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

2/3/04

NOTIFY BLM INTENT SPUD: SPUD 12 1/4" HOLE: DRILL & SURVEY TO 443'

2/4/04

RIH 10 JTS. 448.46' 8 5/8" 24# J55 ST&C CSG. W/ 5 CENTRALIZERS. BJ CMT SHOE @ 443 W/ 375 SX CLASS C + 2% CACL + 1/8# SX CF = 90 BBLS. 14.8# SLURRY W/ 1.35 YIELD - DISPLACE PLUG TO 410 W/ 26 BFW - CIRC. 135 SX. CMT. TO PIT.

2/5/04-2/10/04

DRILL & SURVEY F/ 443' - 4743'

2/10/04

HES RAN DUAL LATEROLOG MICRO-GUARD 4733-3500; DUAL SPACED NEUTRON SPECTRAL DENSITY LOG 4662-200; COMPENSATED SONIC LOG 4687-3500.

2/11/04

RIH 108 JTS. 4752.06' 5 1/2" 17# J55 LT&C CSG. W/ 15 CENTRALIZERS. BJ CMT. SHOE @ 4743 - FC @ 4695 W/ 600 SX 50:50 POZ W/ 10% GEL + 5% SALT + 1/8# CF = 261 BBLS. 11.8# SLURRY W/ 2.44 YIELD & 400 SX 50:50 POZ W/ 2% GEL + 5% SALT = 92 BBLS. 14.2# SLURRY W/ 1.29 YIELD- PLUG BUMPED & HELD. CIRC. 210 SX. CMT. TO PIT- DISPLACE W/ 2% KCL WATER. RIG RELEASE @ 12:45PM.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Michelle Hanson

Title Engineering Tech, Drilling Dept.

Signature

Michelle Hanson

Date 2/25/2004

ACCEPTED FOR RECORD SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGD.) DAVID R. GLASS	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 41 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPER. OGRID NO. 873
PROPERTY NO. 24427
POOL CODE 50350
EFF. DATE 01/09/04
APPL API NO. 30-025-36530

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

EC

1a. Type of Work: ☒ DRILL ☐ REENTER

CONFIDENTIAL

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
APACHE CORPORATION

Contact: BONNIE JONES
E-Mail: bonnitaj@cableone.net

3a. Address
6120 SOUTH YALE, SUITE 1500
TULSA, OK 74136-4224

3b. Phone No. (include area code)
Ph: 505.624.9799
Fx: 505.624.9799

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface SESE 1310FSL 1310FEL

At proposed prod. zone SESE 1310FSL 1310FEL

SUBJECT TO LIKE APPROVAL BY STATE

Unit P

14. Distance in miles and direction from nearest town or post office*
3 MILES NORTHWEST OF EUNICE, NM

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
1310'

16. No. of Acres in Lease
958.25

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
628.6'

19. Proposed Depth
4750 MD
4750 TVD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
3478 GL

22. Approximate date work will start
12/15/2003

5. Lease Serial No.
NMNM90161

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
HAWK B-1 36

9. API Well No.

30-025-36530

10. Field and Pool, or Exploratory
PENROSE SKELLY
UNKNOWN

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 9 T21N R37E Mer NMP
SME FEE 21222322

12. County or Parish
LEA

13. State
NM

17. Spacing Unit dedicated to this well

40.00

20. BLM/BIA Bond No. on file

23. Estimated duration
15 DAYS

24. Attachments

Carbon Controlled Water Basin

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
(Electronic Submission)

Name (Printed/Typed)
BONNIE JONES

Date
11/17/2003

Title
AGENT

Approved by (Signature)

/S/ JOE G. LARA

Name (Printed/Typed)

/S/ JOE G. LARA

Date
DEC 15 2003

Title
FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

Electronic Submission #25167 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Hobbs
Submitted to FMSS for processing by LINDA ASKWIG on 11/17/2003 (04LA0016AE)

DECLARED WATER BASIN

CEMENT BEHIND THE 8 5/8"

CASING MUST BE CIRCULATED

CEMENT BEHIND THE 5 1/2"

CASING MUST BE CIRCULATED

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

DISTRICT I

P.O. Box 1000, Santa Fe, NM 87504-1000

DISTRICT II

P.O. Box 100, Santa Fe, NM 87504-0100

DISTRICT III

2000 N. Santa Fe Rd., Santa Fe, NM 87504

DISTRICT IV

P.O. Box 1000, Santa Fe, NM 87504-1000

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form O-102

Revised February 10, 1984

Submit to Appropriate District Office

State Lease - 4 Copies

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EXHIBIT D-1

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

APT Number 30-025-36530	Pool Code 50350/78888	Pool Name PenroseSkelly;Grayburg/Nare;San Andres (gas)
Property Code 24427	Property Name HAWK B-1	Well Number 36
DEED No. 873	Operator Name APACHE CORPORATION	ELEVATION 3478'

Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South Line	Feet from the	East/West Line	County
P	9	21-S	37-E		1310'	SOUTH	1310'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40.00			N/S L-4955 (SD)

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

OPERATOR CERTIFICATION

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

Michelle Hanson
Signature

Michelle Hanson
Printed Name

Drilling Tech.
Title

9/22/03
Date

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.

August 06, 2003

Date Surveyed **AWB**

Signature **AWB**
Professional Surveyor

AWB
Professional Surveyor
03.17.0846

Commission No. **AWB**
Surveyor

GEODEIC COORDINATES

NAD 27 NME
Y = 543822.8 N
X = 880799.9 E
LAT. 32°29'22.70"N
LONG. 107°08'47.58"W

3480.8' 500' 3478.1'
3480.7' 1310' 3475.9'

DISTRICT I
P.O. Box 1204, Santa Fe, NM 87504-1204

DISTRICT II
P.O. Drawer 98, Santa Fe, NM 87501-0719

DISTRICT III
2006 Rio Grande Rd., Santa Fe, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1984
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 2 Copies

EXHIBIT D-2

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name HAWK B-1	Well Number 36
OGRIID No.	Operator Name APACHE CORPORATION	ELEVATION 3478'

Surface Location

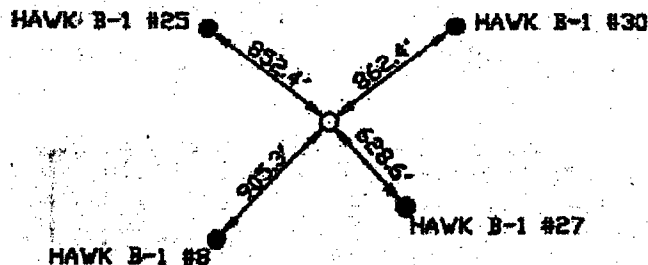
UL or lot No.	Section	Township	Range	Lot 32n	Feet from the	North/South line	Feet from the	East/West line	County
P	9	21-S	37-E		1310'	SOUTH	1310'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 32n	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

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

Signature

Printed Name

Title

Date

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.

August 06, 2003

Date Surveyed

AWB

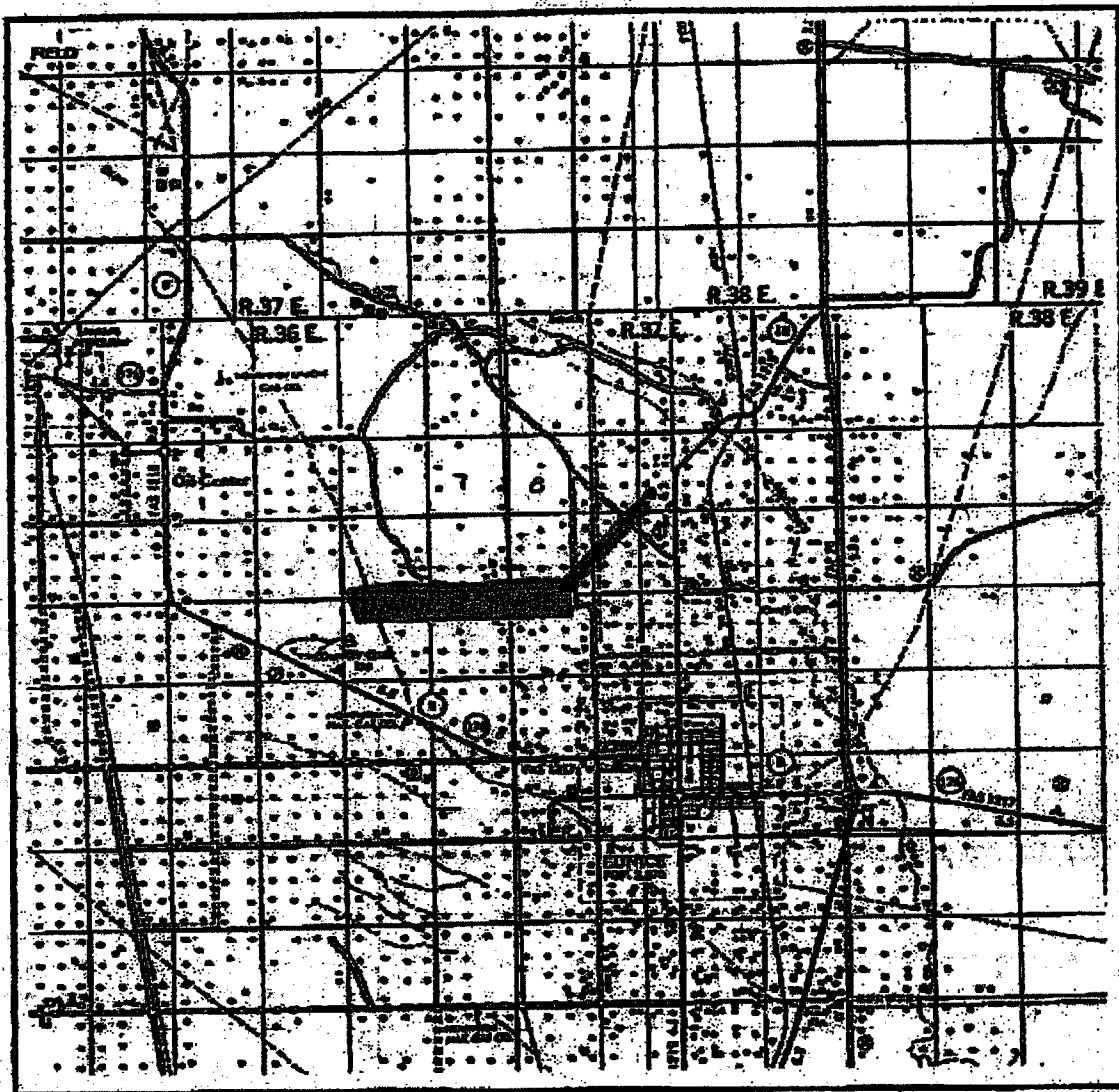
Signature & Seal of
Professional Surveyor

03.11.0844

Certificate No. RONALD J. HEDSON 8229
GARY HEDSON 12841

VICINITY MAP

EXHIBIT E-1



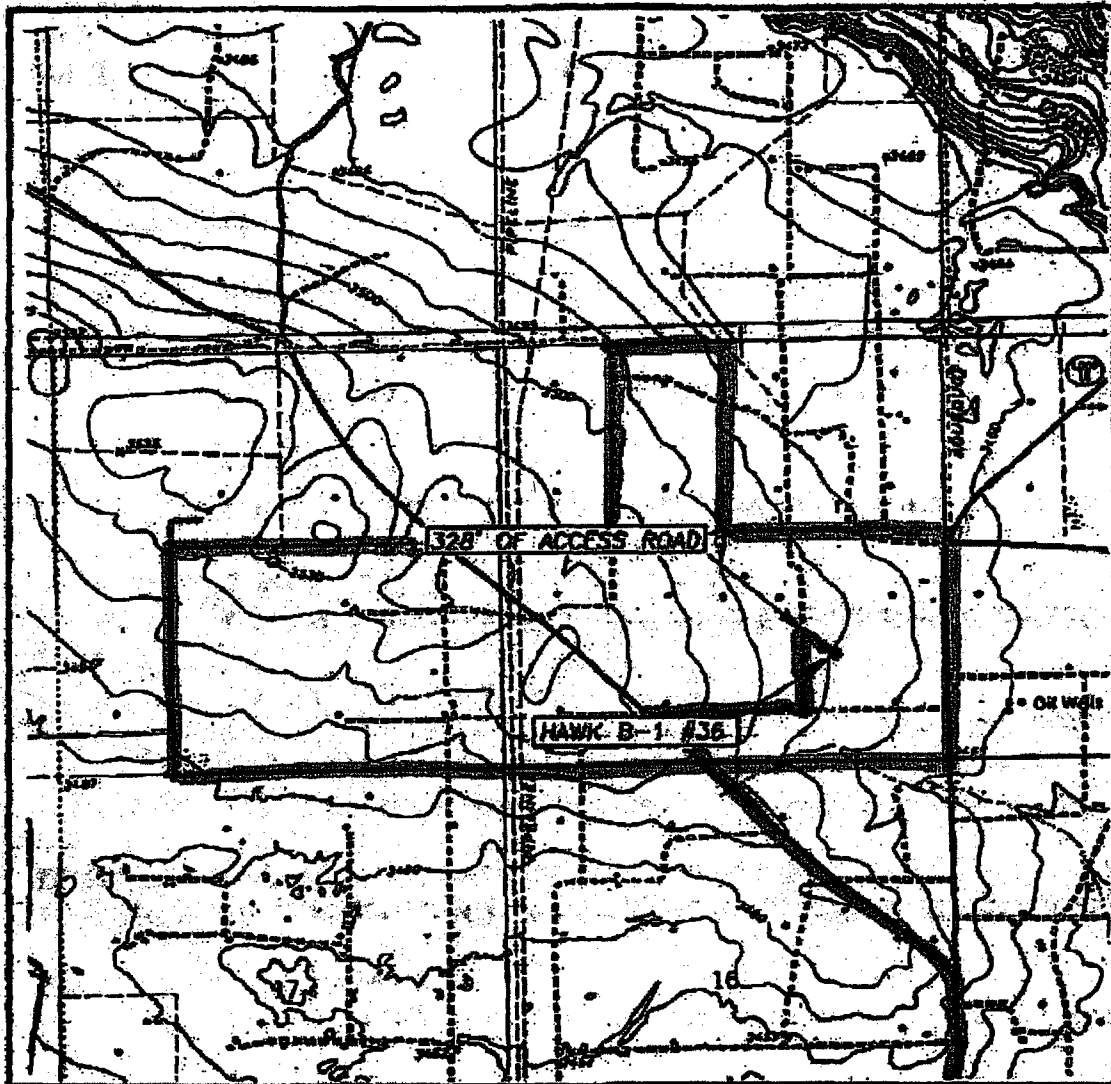
SCALE: 1" = 2 MILES

SEC. 9 TWP. 21-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1310' FSL & 1310' FFL
 ELEVATION 3478'
 OPERATOR APACHE CORPORATION
 LEASE HAWK B-1

JOHN WEST SURVEYING
 HOBBS, NEW MEXICO
 (505) 393-3117

LOCATION VERIFICATION MAP

EXHIBIT E-2



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
ELUNICE, N.M.

SEC. 9 TWP. 21-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1310' FSL & 1310' FSL
 ELEVATION 3478'
 OPERATOR APACHE CORPORATION
 LEASE HAWK B-1
 U.S.G.S. TOPOGRAPHIC MAP
 ELUNICE, N.M.

JOHN WEST SURVEYING
 HOBBS, NEW MEXICO
 (505) 393-3117

ACCESS

LEASE BOUNDARY

Sep-22-2003 09:31am

APACHE CORP MILLER DEP

REDACTED

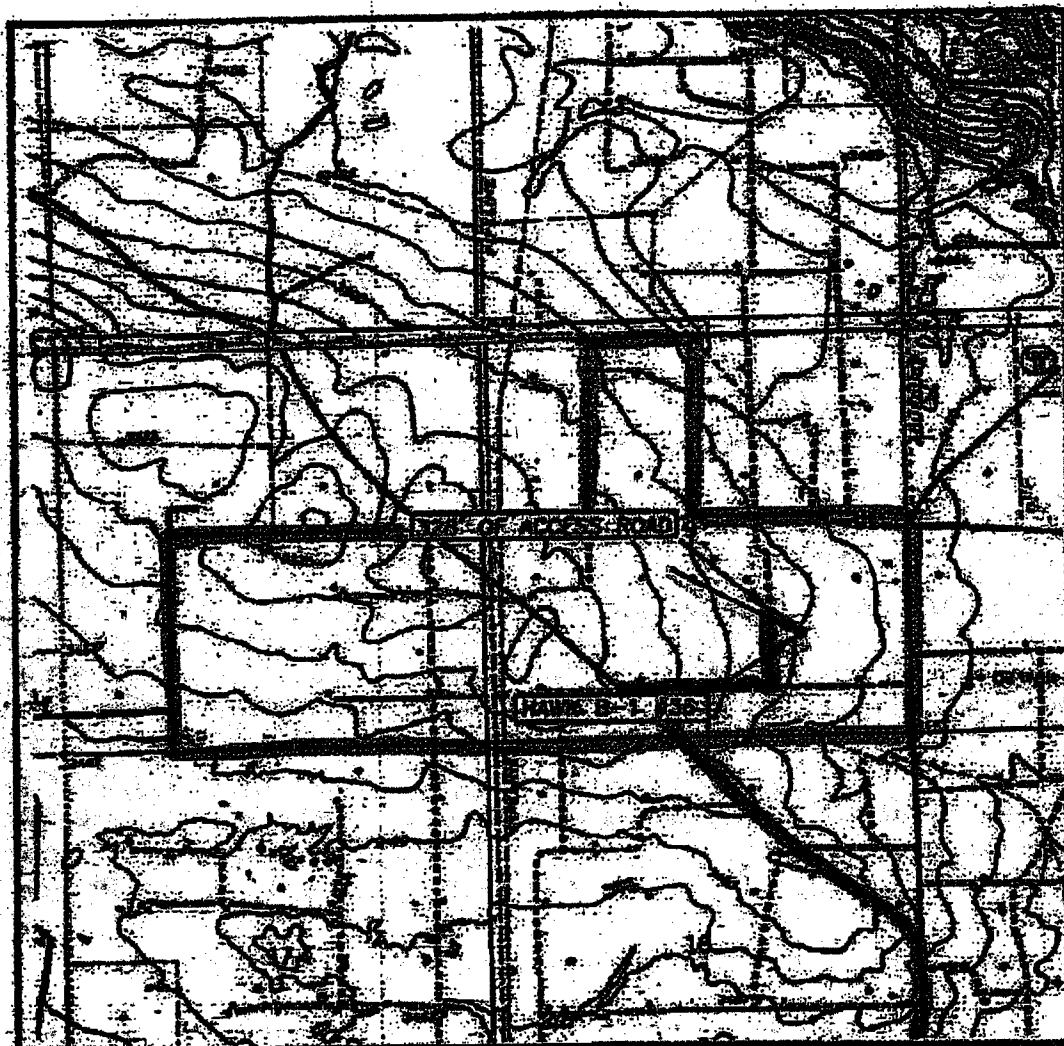
T-001

P-01/03

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LOCATION VERIFICATION MAP

EXHIBIT E-3



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
EUNICE, N.M.

SEC. 8 TWP. 21-S RGE. 37-E
SURVEY N.M.P.M.
COUNTY LEA
DESCRIPTION 1310' EBL & 1310' EPL
ELEVATION 3470'
OPERATOR APACHE CORPORATION
LEASE NAME B-1
U.S.G.S. TOPOGRAPHIC MAP
EUNICE, N.M.

1950'
Flashier

Flow-line Route

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 363-3117

ACCESS [REDACTED]
LEASE BOUNDARY [REDACTED]

EXHIBIT "C"

SURFACE USE AND OPERATIONS PLAN
CULTURAL RESOURCES SURVEY
APPROXIMATE REHABILITATION SCHEDULE

LOCALITY: HAWK B-1 #36
OPERATOR: APACHE CORPORATION

LOCATION: SE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 9, T21S-R37E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SUBMITTED TO:

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROSWELL DISTRICT OFFICE
2909 WEST 2ND STREET
ROSWELL, NEW MEXICO 88201
TELEPHONE (505) 627-0272

This plan is submitted to provide permitting agencies with information necessary to allow an appraisal of the environmental effects associated with the proposed drilling operations. Within the context of typical drilling operations, this plan provides for protection of surface resources and other environmental components. This plan has been developed in conformity with the United States Geological Survey NTL-6 guidelines, Bureau of Land Management Oil and Gas Order No. 1, and in connection and consultation with the private surface owner of record, if other than the United States of America, as well as the Roswell District Office for the Bureau of Land Management and the United States Department of the Interior personnel.

PART #1:

- 1) Surface Location:
SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, Township 21 South, Range 37 East, N.M.P.M.
Lea County, New Mexico
1310' FSL, 1310' FEL, Unit P
See attached Exhibits "D" and "E"
- 2) Bottom Hole Location:
SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, Township 21 South, Range 37 East, N.M.P.M.
Lea County, New Mexico
1310' FSL, 1310' FEL, Unit P
See attached Exhibits "D" and "E"
- 3) Leases Issued: NM-90161
- 4) Record Lessee:

Apache Corporation	50%
BP America Production Co.	25%
Chevron USA Inc.	25%

- 5) Acres in Lease:
Township 20 South, Range 37 East, NMPM
Section 13: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$
Township 20 South, Range 38 East, NMPM
Section 30: Lot 1
Township 21 South, Range 37 East, NMPM
Section 4: Lots 3, 6
Section 6: NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$
Section 8: SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
Section 9: S $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$

Total Acres: 958.25

6) Acres Dedicated to Well:

There are 40.00 acres dedicated to this well, which takes in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

PART #2:

1) Existing Roads:

Exhibits "E-1" & "E-2" comprise maps showing the proposed well site in relation to existing roads and State Highway 18. The well is ± 3 miles northwest of Eunice, New Mexico. From Eunice, go north approximately 2.5 miles on State Highway 18. Turn northwest on existing lease roads to location as illustrated on Exhibit "E-2".

2) Planned Access:

- A. Length and Width: A new 328' access road, 20' wide, will be constructed from the existing lease/access road to the well site. Extra width may be needed in the turns. Application for a buried pipeline will be made if it becomes necessary.
- B. Construction: The existing roads will be lightly graded and topped with compacted caliche as needed.
- C. Turnouts: None required.
- D. Culverts: None required.
- E. Cuts and Fills: As needed.
- F. Gates and Cattleguards: None required.

3) Location of Existing Wells:

Exhibit "F" shows existing wells within a 1-mile radius of the proposed well.

4) Location of Existing and/or Proposed Facilities:

- A. There are production facilities within the area of the Northeast Drinkard Unit, which is adjacent to the wellsite.
- B. If the oil well proves to be commercial, any necessary production facilities will be installed on the drilling pad, and flow lines will be installed along the proposed and existing roads to the production facilities and storage tanks. See Exhibit "E-3" for flow-line route.

5) Location and Type of Water Supply:

Apache Corporation plans to drill the proposed well with fresh and brine water which will be transported by truck over proposed and existing access roads.

6) Source of Construction Materials:

Caliche for surfacing access roads and the wellsite pad will be obtained from the location itself or from BLM pits in the area.

7) Method of Handling Waste Material:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system.
- E. Oil produced during operation will be stored in tanks until sold.
- F. Apache Corporation will comply with current laws and regulations pertaining to the disposal of human waste.

- G. All waste materials will be contained to prevent scattering by the wind and will be removed from the well site within 30 days after drilling and/or completion operations are finished.
- 8) Ancillary Facilities: None planned.
- 9) Well Site Layout:
- A. Exhibit "G" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area have been staked and flagged.
 - B. Mat Size: 140' x 200' plus reserve pits as shown on Exhibit "G".
 - C. Cut & Fill: Only minor leveling of the drilling site is anticipated.
 - D. The surface will be topped with compacted caliche and the reserve pits will be lined with 6 mil plastic.
- 10) Plans for Restoration of the Surface:
- A. After completion of drilling and/or completion operations, all equipment and other material, not needed for operations, will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
 - B. Any unguarded pits containing fluids will be fenced until they are filled.
 - C. If the proposed well is non-productive, Apache Corporation will comply with all rehabilitation and/or vegetation requirements of the Bureau of Land Management, and such rehabilitation will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.
- 11) Other Information:
- A. Topography: The wellsite and access road are located in the Querecho Plains and are relatively flat.
 - B. Soil: The proposed location, access road and production facilities consist of sandy soil. Slope in the proposed area ranges from zero (0) to five (5) degrees.
 - C. Flora and Fauna: Vegetation is one of a grassland environment and a scrub-grass, scrub disclimax community. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
 - D. Ponds and Streams: There are no ponds, lakes, streams or feeder creeks in the immediate area.
 - E. Residences and Other Structures: There are no occupied residences or other structures on or near the proposed location.
 - F. Land Use: The land is used for grazing cattle.
 - G. Surface Ownership: The surface is owned by the Trustee of the Millard Deck Estate, c/o Tim Wolters, Bank of America, P. O. Box 270, Midland, TX 79702, 915-685-2864. A Surface Damage Release agreement for this tract has been executed by the Millard Deck Estate and Apache Corporation.
 - H. Archaeological, Historical, and Other Cultural Sites:
Don Clifton, Archaeological Consultant, of Pep, New Mexico, will be conducting an archaeological survey of the proposed HAWK B-1 #36 well which covers the drilling location, production facilities, and access road, including a corridor along said access road for power and flow lines. His report will be filed under separate cover.
 - I. Senior Representative (Manager, Engineering & Production):
Jim McKinney
Apache Corporation
Suite 1500 - Two Warren Place
6120 South Yale Avenue
Tulsa, Oklahoma 74136
(918) 491-4800

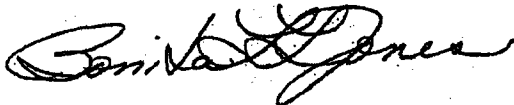
Project (Operations Engineer):
Kevin Mayes
Apache Corporation
Suite 1500 - Two Warren Place
6120 South Yale Avenue
Tulsa, Oklahoma 74136
(918) 491-4972

Drilling Operations (Operations Engineer):

Glenn Bone
Apache Corporation
Suite 1500 - Two Warren Place
6120 South Yale Avenue
Tulsa, Oklahoma 74136
(918) 491-4907

CERTIFICATION

I hereby certify that Apache Corporation has inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Apache Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Bonita L. L. Jones, RLP, Consulting Landman
Agent for Apache Corporation
P. O. Box 8309
Roswell, New Mexico 88202-8309
(505) 624-9799 FAX (505) 624-9799
E-Mail: bonita@dfn.com

Date: 11-3-03