

DATE IN 10/28/13	SUSPENSE	ENGINEER DB	LOGGED IN 10/28/13	TYPE NSL	PPRG 1330154334
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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



Submitted with
Bertha J Barber
No. 16

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:

[NSL-Non-Standard Location] [NSP-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 is 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.

David Catanach
Print or Type Name

David Catanach
Signature

Agent for Apache Corporation
Title

10/28/13
Date

drcatanach@netscape.com
E-Mail Address

Apache Corp.
30-025-41281
Bertha J. Barber
No. 15

200 OCT 28 A 10:32

October 28, 2013

Hand Delivered

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG
Division Director

Re: **Application for Unorthodox Well Locations**

Bertha J. Barber No. 15 (API No. 30-025-41281)
Surface Location: 590' FNL & 145' FEL (Unit A)
Bottomhole Location: 467' FNL & 10' FEL (Unit A)

Bertha J. Barber No. 16 (API No. 30-025-41282)
1310' FNL & 853' FEL (Unit A)

All in Section 7, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico

Dear Ms. Bailey:

Pursuant to Division Rule 19.15.15.13, Apache Corporation ("Apache") respectfully requests administrative approval for two unorthodox oil well locations for its proposed Bertha J. Barber Wells No. 15 and 16, as described above. These wells will be drilled as development oil wells in the Eunice Monument Grayburg-San Andres Pool (23000) at the unorthodox well locations described above in Unit A of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

The proposed Bertha J. Barber Wells No. 15 and 16 will be dedicated to an existing standard 40-acre oil spacing and proration unit in the Eunice Monument Grayburg-San Andres Pool comprising the NE/4 NE/4 of Section 7. This unit is currently dedicated to Apache's Bertha J. Barber No. 2 (API No. 30-025-05974) located at a standard well location 330' FNL & 990' FEL, which is currently temporarily abandoned. In addition, Apache has filed APD's for the following wells: i) Bertha J. Barber Well No. 17 (API No. 30-025-41283) which may be drilled at a later time at an unorthodox location 1310 feet from the North line and 140 feet from the East line; and ii) Bertha J. Barber Well No. 18 (API No. 30-025-41267) which also may be drilled at a later time at a standard location 820 feet from the North line and 475 feet from the East

line. Both of these wells, if drilled, will also be dedicated to the NE/4 NE/4 of Section 7 in the Eunice Monument Grayburg-San Andres Pool.

The Eunice Monument Grayburg-San Andres Pool is currently governed by Division Rule 19.19.15.9 which requires standard 40-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit.

The NE/4 NE/4 of Section 7 is a part of the Bertha J. Barber Lease, which comprises the E/2 E/2 of Section 7, and the NW/4 NW/4 & NW/4 SW/4 of Section 8. This fee lease is owned 87.875% (WI) by LeaCo New Mexico Exploration & Production, LLC, which is an Apache entity, and 12.125% (WI) by Poco Partners, Ltd. The two offset 40-acre tracts that are affected by the unorthodox locations are the NW/4 NW/4 of Section 8, which is affected by the Bertha J. Barber No. 15, and the SE/4 NE/4 of Section 7, which is affected by the Bertha J. Barber No. 16. The affected NW/4 NW/4 of Section 8 is currently operated in the Eunice Monument Grayburg-San Andres Pool by Apache. The affected SE/4 NE/4 of Section 7 is currently not developed in the Eunice Monument Grayburg-San Andres Pool. Pursuant to Division rules, Apache is providing notice of this application, by certified mail return receipt, to Poco Partners, Ltd., the only working interest owner affected by these unorthodox well locations.

The attached map shows the current and proposed well development pattern within the NE/4 NE/4 of Section 7, and the NW/4 NW/4 of Section 8. The proposed unorthodox locations are necessary: i) in order to efficiently and effectively drain and develop the Bertha J. Barber Lease; and ii) to complete an efficient and effective 40-acre five spot injection pattern at such time in the future as this lease may be subject to a pilot of full-scale secondary recovery operations in the Grayburg-San Andres interval.

Attached are Form C-102's for each well showing the proposed well, well locations and dedicated acreage. Also attached is a map that shows the current and proposed well development pattern within the NE/4 NE/4 of Section 7 and the NW/4 NW/4 of Section 8. Also shown on this map is the affected offset acreage.

In summary, approval of the application will provide Apache Corporation the opportunity to recover additional oil and gas reserves from the Eunice Monument Grayburg-San Andres Pool underlying the NE/4 NE/4 of Section 7 that may otherwise not be recovered by the existing or proposed producing wells, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Apache Corporation
Application for Unorthodox Well Locations
Bertha J. Barber Wells No. 15 & 16
Page 3

Sincerely,

A handwritten signature in cursive script that reads "David Catanach". The signature is fluid and extends to the right with a long, sweeping underline.

David Catanach, Agent
Apache Corporation
303 Veterans Airpark Lane
Suite 3000
Midland, Texas 79705

Xc: OCD-Hobbs

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-	Pool Code	Pool Name Monument, Grayburg/San Andres
Property Code	Property Name BERTHA J BARBER	Well Number 15D
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3560'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	7	20-S	37-E		590	NORTH	145	EAST	LEA

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
A	7	20-S	37-E		467	NORTH	10	EAST	LEA

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

<p>GRID AZ. = 47°07'17"</p> <p>HORIZ. DIST. = 182.4'</p>		<p>590'</p> <p>145'</p> <p>10'</p> <p>467'</p>	
<p>GEODETTIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=581142.8 N X=823742.9 E</p> <p>LAT.=32.593269° N LONG.=103.282184° W</p> <p>LAT.=32° 35' 36" N LONG.=103° 15' 56" W</p> <p>BOTTOM HOLE LOCATION Y=581266.9 N X=823876.6 E</p> <p>LAT.=32.593607° N LONG.=103.281746° W</p> <p>LAT.=32° 35' 36" N LONG.=103° 16' 54" W</p>		<p>CORNER COORDINATES TABLE</p> <p>A - Y=581722.6 N, X=822561.7 E</p> <p>B - Y=581733.9 N, X=823881.7 E</p> <p>C - Y=580410.8 N, X=823895.6 E</p> <p>D - Y=580399.7 N, X=822575.8 E</p>	

OPERATOR CERTIFICATION

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

Michelle Cooper 7-10-13
Signature Date

Michelle Cooper
Printed Name

michelle.cooper@apachecorp.com
E-mail Address

SURVEYOR CERTIFICATION

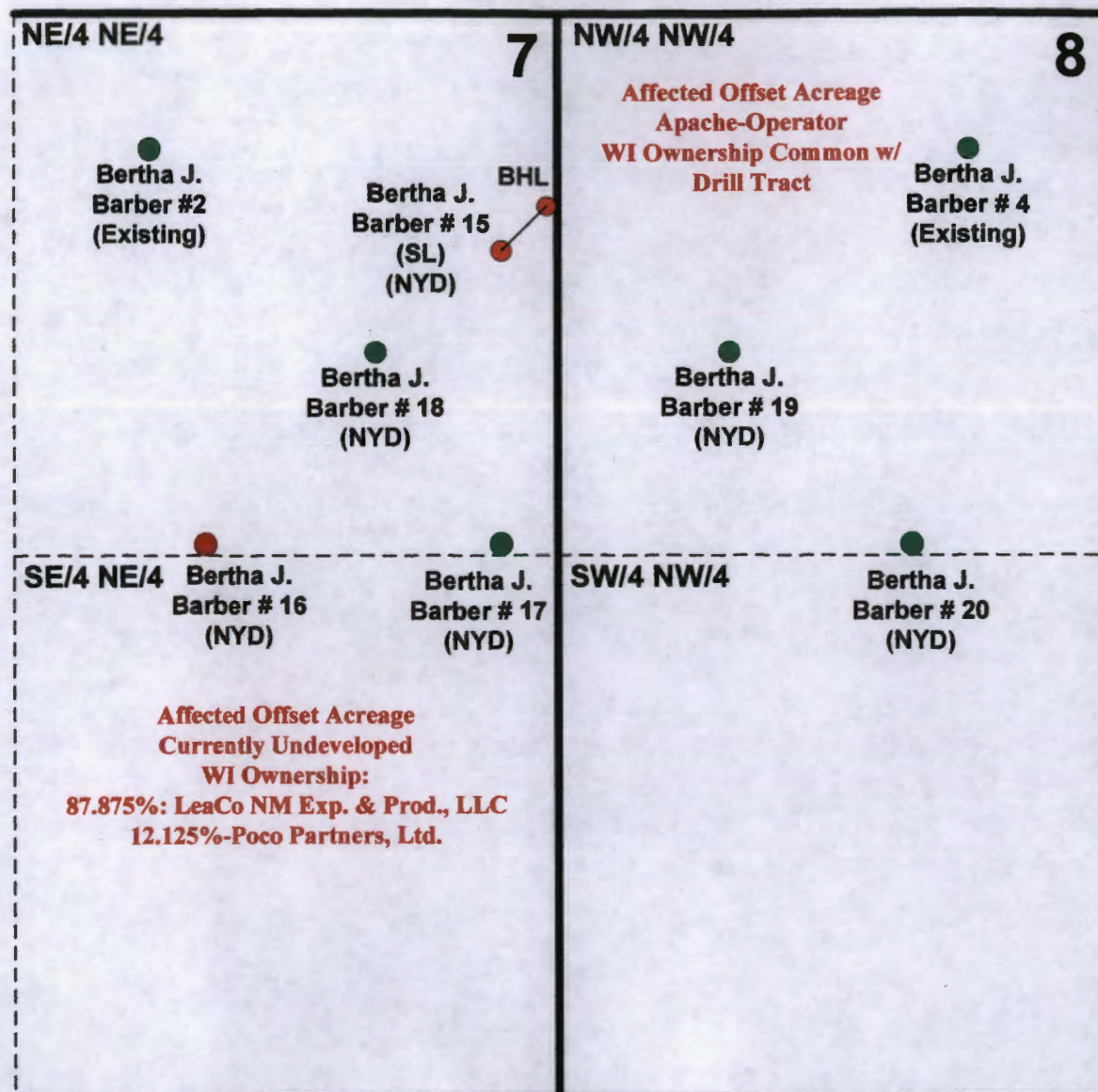
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 5, 2013
Date of Survey

Signature of Registered Professional Surveyor:
Ronald J. Eidson

OFFICIAL SEAL OF RONALD J. EIDSON
NEW MEXICO
3239
Certification Number: 12641
JWSC W.O. 13.13.0785

20S



37E

Apache Corporation
Application for Unorthodox Well Locations
Bertha J. Barber Wells No. 15 & 16

7013 0600 0001 8711 4832

U.S. Postal Service™		
CERTIFIED MAIL™ RECEIPT		
(Domestic Mail Only; No Insurance Coverage Provided)		
For delivery information visit our website at www.usps.com		
MIDLAND TX 79702-2148		
Postage	\$ 1.32	0507
Certified Fee	\$3.10	08
Return Receipt Fee (Endorsement Required)	\$2.55	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$6.97	10/28/2013
Poco Partners, Ltd.		Postmark Here
Sent P.O. Box 2148		OCT 28 2013
Street or PO		USPS
City		
PS Form		Instructions