



1/23/12

SUSPENSE

ENGINEER

DB

LOGGED IN

1.23.12

TYPE

NSL

APP NO.

1202344942

PTGW

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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

Apache  
D State #69

6557

ABOVE THIS LINE FOR DIVISION USE ONLY

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

Apache Corporation's  
D State 69  
30-015-39743

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.

Print or Type Name

Signature

Title

Date

BRIAN WOOD  
(505) 466-8120  
FAX 466-9682

CONSULTANT

1-19-12

e-mail Address

brian@permitswest.com

**PERMITS WEST**, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

**REQUEST FOR ADMINISTRATIVE APPROVAL  
NONSTANDARD LOCATION  
APACHE CORPORATION  
D STATE 69  
220' FSL & 990' FWL  
SECTION 25, T. 17 S., R. 28 E., EDDY COUNTY, NM  
API 30-015-39743**

I. The well is on New Mexico State Land Office (NMSLO) oil and gas lease X0-0647-0405 and State surface. The well bore is 4,180' from the closest lease line. The proposed oil well is nonstandard for the Artesia; Glorieta-Yeso (O) Pool (96830) due to land uses. A copy of the APD cover sheet is attached (Exhibit A).

Apache requests a nonstandard location due to land uses. There are already 3 Yeso wells, 1 Abo well, and 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines in the SWSW Section 25.

The 8,746.59 acre state lease comprises all of Sections 25 and 26, NE4 Section 35, N2 Section 36, et al. The well was planned to be staked at 330 FSL & 990 FWL. However, that would force the reroute of at least 7 pipelines and 1 road (see Exhibit B).

A standard location must be at least 330' from the quarter-quarter line. The well bore is 220' from the closest quarter-quarter line (see C-102 as EXHIBIT C).

II. A C-102 form showing the well and 40 acre pro ration unit (SWSW Section 25) is attached as EXHIBIT D.

The oil and gas lease boundary is marked as a solid line on the attached (EXHIBIT E) topographic map. The well bore encroaches too far (110') south. All encroachments are part of the same lease. There are 3 Yeso wells in the encroached quarter-quarter (NWNW Section 36). The quarter-quarter is part of the same state lease. All eight bordering or cornering quarter-quarters (dashed line squares) are part of the same state lease. Next closest quarter-quarter (SESW Section 25) is 330' east.

III. See Exhibit F for existing Yeso wells (circles). Apache operates all Yeso wells (circles on Exhibit F) in the 8 offset quarter-quarters. Closest (550') existing Yeso well is Apache's D State 10 (30-015-31165) at 330 FNL & 990 FWL 36-17s-28e. Apache has Yeso wells in 7 of the 8 offset quarter-quarter-quarters. Only the NWNWNW Section 36 does not have a Yeso well. This information is current and correct.

IV. See Exhibits D and F for the proposed well, proration unit, drilling windows, and all wells. Apache does not believe it is cost effective to directionally drill from an existing pad.

V. See Exhibits B and F for surface uses (3 Yeso wells, 1 Abo well, and 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines) that prevent use of a legal location.

VI. Archaeology is not an issue.

VII. The well was planned to be staked at 330 FSL & 990 FWL. However, that would force the reroute of at least seven pipelines and one road (see Exhibit B).

VIII. Apache does not believe directional drilling to a legal bottom hole location is cost effective.

IX. I hereby certify that Apache Corporation and its partners have 100% of the Yeso working interest in the lease which comprises the proposed 40 acre spacing unit and the adjacent quarter-quarters on one or more of the two sides or the single closest corner to the proposed well toward which it encroaches and that the information is current and correct.

I hereby attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT G) by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division receives the application. These affected persons have working or royalty interests in quarter-quarters which border the 40 acre

spacing unit. Said notice was sent to:

NM State Land Office  
COG Operating LLC  
Khody Land and Minerals Company  
Yates Petroleum Corporation  
Chase Oil Corporation  
Marathon Oil Company



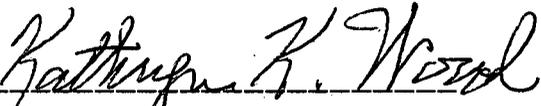
\_\_\_\_\_  
Brian Wood, Consultant

1-19-12

\_\_\_\_\_  
Date

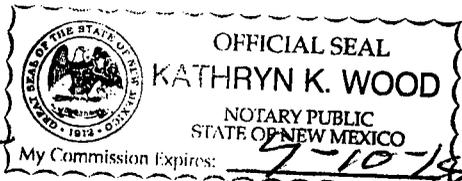
STATE OF NEW MEXICO        )  
  ) SS:  
COUNTY OF SANTA FE        )

The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Brian Wood. Witness my hand and official seal.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 9-10-15

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508



cc: Flores, OCD (Artesia & Santa Fe)

**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 Rd., Artesia, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101  
 August 1, 2011  
 Permit 141004

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705		2. OGRID Number 873
		3. API Number 30-015-39743
4. Property Code 308712	5. Property Name D STATE	6. Well No. 069

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	25	17S	28E	M	220	S	990	W	EDDY

**8. Pool Information**

ARTESIA; GLORIETA-YESO (O) 96830

**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3674
14. Multiple N	15. Proposed Depth 4600	16. Formation Yeso Formation	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	300	
Prod	7.875	5.5	17	4600	740	

**Casing/Cement Program: Additional Comments**

--

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	2000	

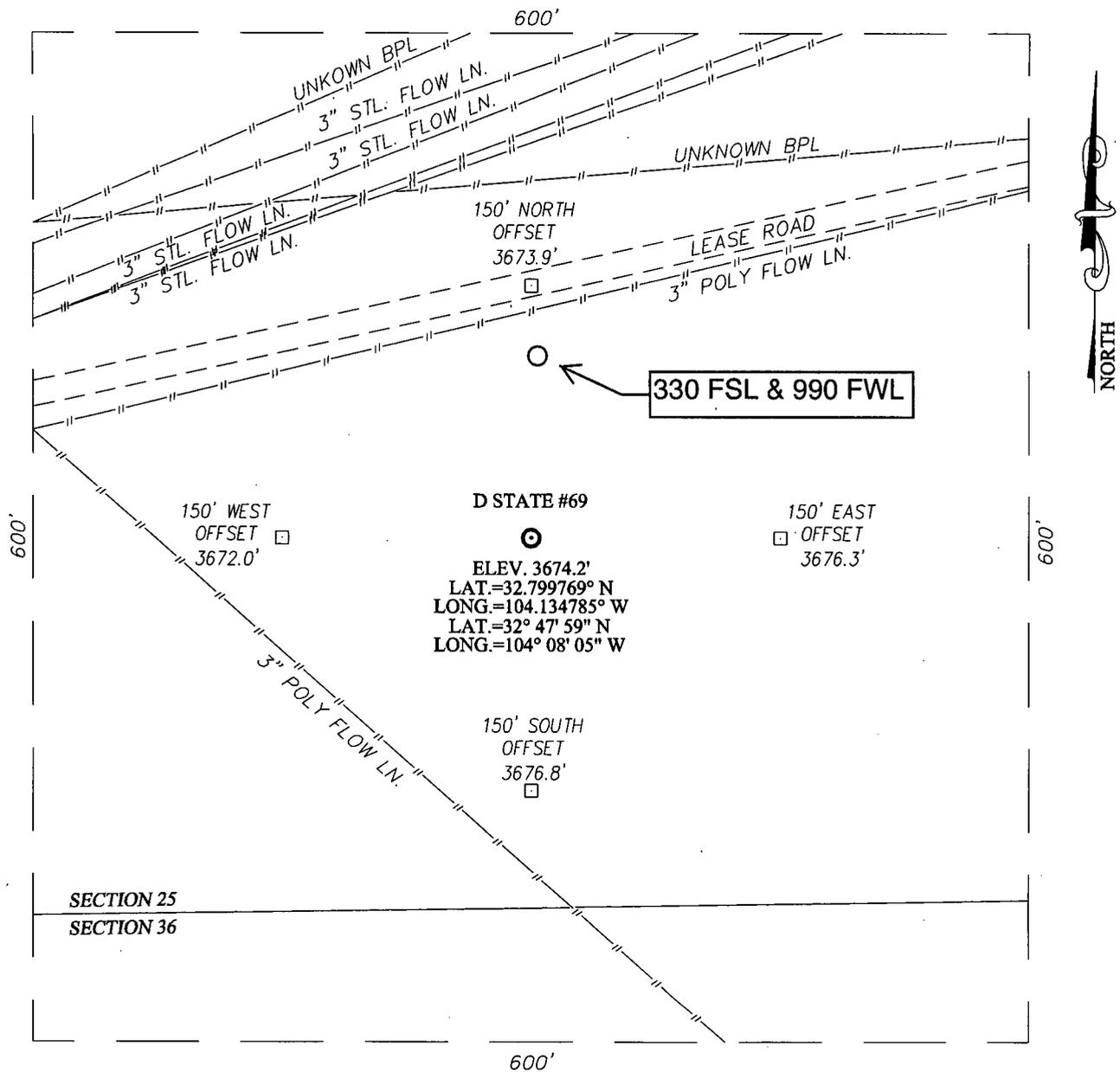
I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Bobby Smith Title: Email Address: bobby.smith@apachecorp.com Date: 12/5/2011	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 12/6/2011	Expiration Date: 12/6/2013
	Phone: 432-818-1020	Conditions of Approval Attached

**EXHIBIT A**

# SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.

EDDY COUNTY

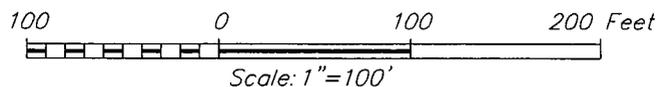
NEW MEXICO



**EXHIBIT B**

**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #209 (TURKEY TRACK RD.) GO NORTHEAST ON U.S. HWY. #82 FOR APPROX. 1.1 MILES. TURN RIGHT AND GO SOUTHEAST APPROX. 0.2 MILES. TURN RIGHT AND GO SOUTHWEST APPROX. 0.3 MILES. THE LOCATION STAKE IS APPROX. 150 FEET SOUTH OF ROAD.





PROVIDING SURVEYING SERVICES  
SINCE 1946

**JOHN WEST SURVEYING COMPANY**

412 N. DAL PASO  
HOBBS, N.M. 88240  
(575) 393-3117

<b>APACHE CORPORATION</b>			
D STATE #69 WELL LOCATED 220 FEET FROM THE SOUTH LINE AND 990 FEET FROM THE WEST LINE OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO			
Survey Date: 11/09/11		Sheet 1 of 1 Sheets	
W.O. Number: 11.11.2312		Dr. By: ACR	Rev 1:
Date: 11/30/11	Rel. W.O.:	11112312	Scale: 1"=100'

**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	Pool Code	Pool Name
Property Code	Property Name <b>D STATE</b>	
OGRID No.	Operator Name <b>APACHE CORPORATION</b>	
		Well Number <b>69</b>
		Elevation <b>3674'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	17-S	28-E		220	SOUTH	990	WEST	EDDY

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
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><b>GEODETIC COORDINATES</b>          NAD 27 NME</p> <p><b>SURFACE LOCATION</b>          Y=654724.4 N          X=561008.8 E</p> <p>LAT.=32.799769° N          LONG.=104.134785° W</p> <p>LAT.=32° 47' 59" N          LONG.=104° 08' 05" W</p> <div style="text-align: center; margin-top: 20px;"> </div>	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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 unleased 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.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <div style="text-align: center; border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: 10px auto;"> <b>EXHIBIT C</b> </div> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p style="text-align: center;"><b>NOVEMBER 9, 2011</b></p> <p>Date of Survey _____          Signature &amp; Seal of Professional Surveyor: _____</p> <div style="text-align: center;"> </div> <p>Certificate Number: 331          Ronald J. Eidson 12641          Ronald J. Eidson 3239</p> <p>ACR JWSC W.O.: 11.11.2312</p>
--	---

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 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**

Form C-102  
 August 1, 2011

Permit 141004

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-39743	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 308712	5. Property Name D STATE	6. Well No. 069
7. OGRID No. 873	8. Operator Name APACHE CORP	9. Elevation 3674

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	25	17S	28E		220	S	990	W	EDDY

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

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County

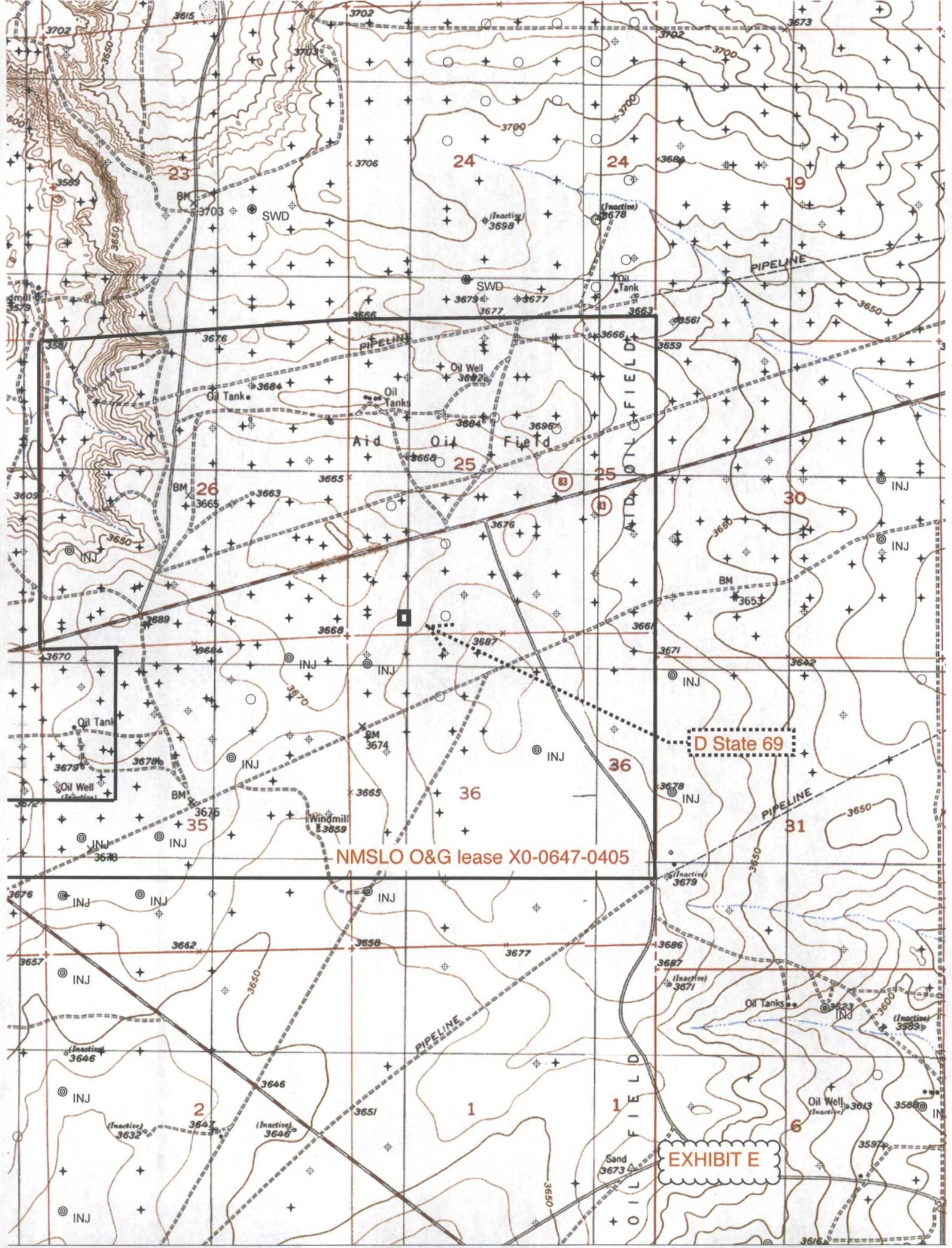
  

12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. Order No.
------------------------------	---------------------	------------------------	---------------

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

<table border="1"> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Bobby Smith          Title:          Date: 12/5/2011</p>
<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: RONALD EIDSON          Date of Survey: 11/9/2011          Certificate Number: 3239</p>																	

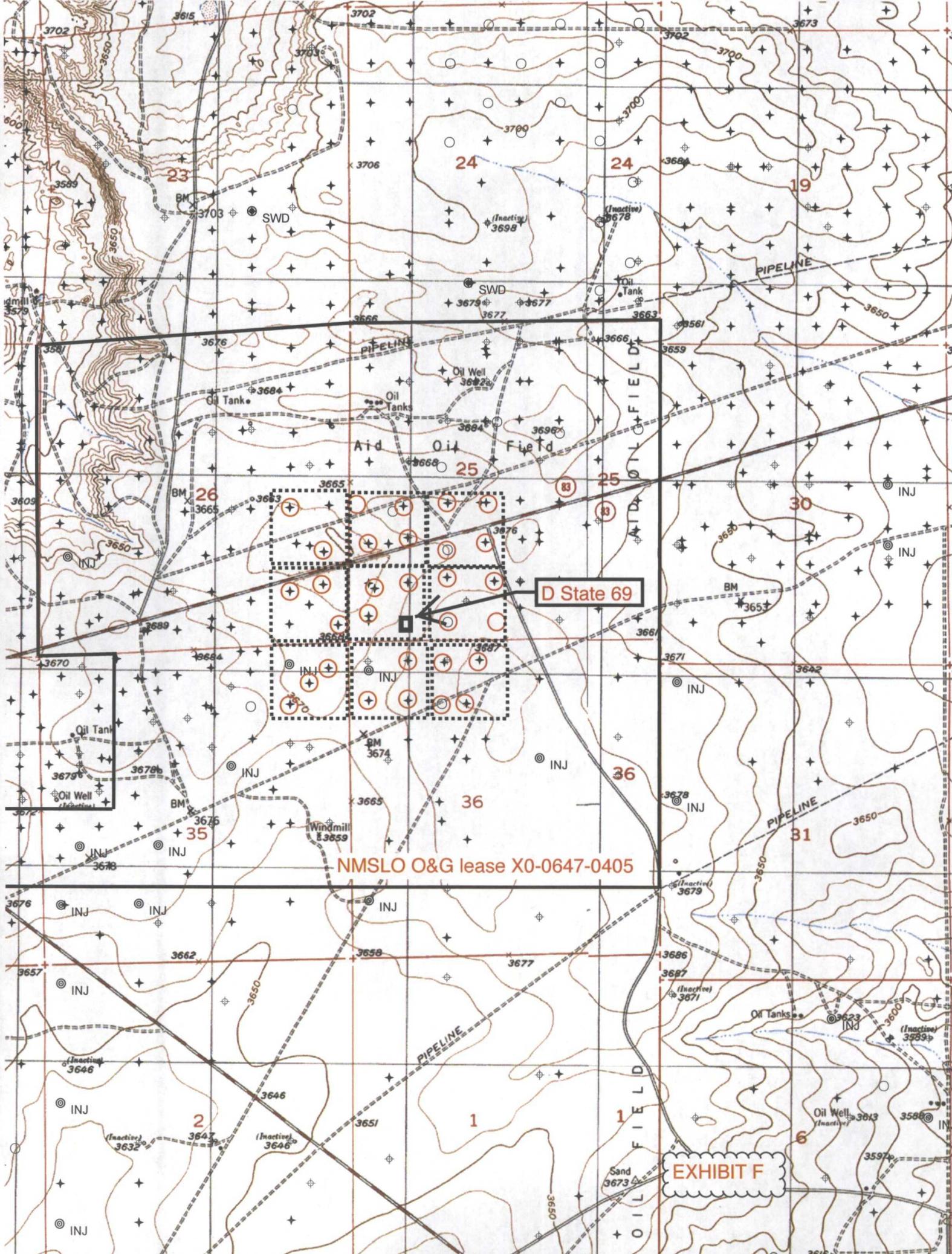
**EXHIBIT D**



NMSLO O&G lease X0-0647-0405

D State 69

EXHIBIT E



# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

NM State Land Office  
P. O. Box 1148  
Santa Fe, NM 87504

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

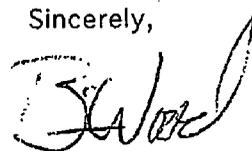
Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 ID: 4,600'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (0)  
NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)  
Approximate Location: ~9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

5850 907E 0000 0522 2007

U.S. Postal Service™	
<b>CERTIFIED MAIL™ RECEIPT</b> (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$ 0.44
Certified Fee	\$2.85
Return Receipt Fee (Endorsement Required)	\$2.30
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.59

0501  
05  
Postmark Here  
01/19/2012

Sent To: NM SLO

Street, Apt. No., or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2008

EXHIBIT G

**PERMITS WEST, INC.**  
 PROVIDING PERMITS for LAND USERS  
 37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

David Evans  
 COG Operating LLC  
 550 West Texas Ave., Suite 100  
 Midland, TX 79701

Dear Mr. Evans:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

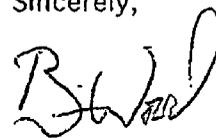
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Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

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Please call me if you have any questions.

Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service™		
<b>CERTIFIED MAIL™ RECEIPT</b>		
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>		
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>		
<b>OFFICIAL USE</b>		
Postage	\$ 0.64	0501
Certified Fee	\$2.85	05
Return Receipt Fee (Endorsement Required)	\$2.30	SANTA FE Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	JAN 19 2012
Total Postage & Fees	\$ 5.79	01/19/2012
Sent To	COG	
Street, Apt. No., or PO Box No.		
City, State, ZIP+4		
PS Form 3800, August 2006		
See Reverse for Instructions		

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Land Department  
Khody Land and Minerals Company  
3817 NW Expressway, Suite 950  
Oklahoma City, OK 73112

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

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Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

Applicant Name: Apache Corporation (432) 818-1167

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

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Please call me if you have any questions.

Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service<sup>TM</sup>  
**CERTIFIED MAIL<sup>TM</sup> RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)  
For delivery information visit our website at [www.usps.com](http://www.usps.com)

UNDELIVERED RETURN TO SENDER  
OFFICIAL USE

Postage	\$ 0.64	0501
Certified Fee	\$2.85	
Return Receipt Fee (Endorsement Required)	\$2.30	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 5.79	

SANTA FE  
Postmark Here  
JAN 19 2012  
01/19/2012

Sent To  
Street, Apt. No.,  
or PO Box No.  
City, State, Zip+4

PS Form 3800, August 2006 See Reverse for Instructions

7007 2506 0008 8250 907E 8000 095Z 4007

**PERMITS WEST, INC.**  
 PROVIDING PERMITS for LAND USERS  
 37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Chuck Moran  
 Yates Petroleum Corporation  
 105 South 4th St.  
 Artesia, NM 88210

Dear Mr. Moran:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 ID: 4,600'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)  
Approximate Location: ≈9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submission Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

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<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>			
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>			
ARTESIA, NM 88210		<b>OFFICIAL USE</b>	
Postage	\$ 0.44	0501	Postmark Here
Certified Fee	\$2.85	05	
Return Receipt Fee (Endorsement Required)	\$2.30		
Restricted Delivery Fee (Endorsement Required)	\$0.00		
<b>Total Postage &amp; Fees</b>	<b>\$ 5.59</b>		
Sent To <i>Yates</i> Street, Apt. No., or PO Box No. City, State, ZIP+4 SANTA FE, NM 87505 JAN 19 2012 DONADO STATION			
PS Form 3800, August 2008		See Reverse for Instructions	

EXHIBIT G

**PERMITS WEST, INC.**  
 PROVIDING PERMITS for LAND USERS  
 37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Staci Sanders  
 Chase Oil Corporation  
 P. O. Box 960  
 Artesia, NM 88211-0960

Dear Ms. Sanders:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

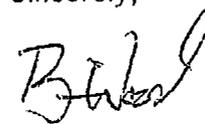
Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 TD: 4,600'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)  
Approximate Location: ~9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

7030 0290 0000 9224 3868

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**OFFICIAL USE**

Postage	\$ 0.44	0501
Certified Fee	\$2.85	05
Return Receipt Fee (Endorsement Required)	\$2.30	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.59</b>	

Postmark: USPS SANTA FE, NM 87505  
 01/19/2012 9 2012  
 CROWNADO STATION

Sent To: Chase  
 Street, Apt. No., or PO Box No.  
 City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT G

**PERMITS WEST, INC.**  
 PROVIDING PERMITS for LAND USERS  
 37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Joe Rusnak  
 Marathon Oil Company  
 200 North Lorraine, Suite 1222  
 Midland, TX 79701

Dear Mr. Rusnak:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

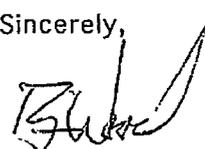
Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 TD: 4,600'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)  
Approximate Location: ≈9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is. (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

7010 0780 0002 2988 2307

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<b>CERTIFIED MAIL<sup>®</sup> RECEIPT</b>	
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<b>OFFICIAL USE</b>	
Postage	\$ 0.64
Certified Fee	\$ 2.85
Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 5.79</b>
Sent To <i>Marathon</i>	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT G