

DATE 11/29/12	SUSPENSE	ENGINEER <i>WJD</i>	LOGGED IN	TYPE <i>SWD</i> <i>1379</i>	APP NO. <i>1300359483</i>
---------------	----------	---------------------	-----------	--------------------------------	---------------------------

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:

- [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 _____

APACHE CORP.
BARNSDALL FEDERAL SWD #1
APR 13-015-NA
2/1840-13000
DEV/EU
25680

- [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

11/28/12
 Date

Agent-Apache Corporation
 Title

drcatanach@netscape.com
 E-Mail Address

November 28, 2012

Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG
Division Director

Re: Form C-108
Apache Corporation
Barnsdall Federal SWD No. 1
API No. (Not Yet Assigned)
330' FNL & 1880' FEL, Unit B
Section 27, T-17S, R-29E, NMPM,
Eddy County, New Mexico

Dear Ms. Bailey,

Enclosed please find a Division Form C-108 (Application for Authorization to Inject) for the Apache Corporation Barnsdall Federal SWD No. 1. Apache Corporation proposes to drill and utilize this well as a produced water disposal well, injection to occur into the Devonian and Ellenburger formations through the perforated interval from approximately 11,840 feet to 13,000 feet. Produced water from the Glorieta and Yeso formations originating from Apache Corporation operated wells in this area will be injected into the well.

I believe that all the information necessary to approve the application is enclosed. If additional information is needed, please contact me at (505) 690-9453.


Sincerely,



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

Xc: OCD-Artesia

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: Apache Corporation (OGRID-873)
ADDRESS: 303 Veterans Airpark Lane, Suite 3000 Midland, Texas 79705
CONTACT PARTY: David Catanach-Agent PHONE: (505) 690-9453
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: David Catanach TITLE: Agent-Apache Corporation
SIGNATURE:  DATE: 11/28/12
E-MAIL ADDRESS: drcatanach@netscape.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

C-108 Application
Apache Corporation
Barnsdall Federal SWD No. 1
330' FNL & 1880' FEL (Unit B)
Section 27, T-17S, R-29E, NMPM
Eddy County, New Mexico

- I. The purpose of the application is to request approval to utilize the proposed Barnsdall Federal SWD No. 1 as a produced water disposal well. This is a new well to be drilled for injection.
- II. Apache Corporation
303 Veterans Airpark Lane
Suite 3000
Midland, Texas 79705
Contact Party: David Catanach (505) 690-9453
- III. Injection well data sheet and wellbore schematic diagram showing the proposed wellbore configuration are attached.
- IV. This is not an expansion of an existing project.
- V. Attached is a map that identifies all wells/leases within a 2-mile radius of the proposed water disposal well and a map that identifies the ½ mile "Area of Review" ("AOR").
- VI. A listing of all wells within the AOR, including API No., operator, well name & number, well type and status, well location, and total depth is attached. An examination of the AOR well listing shows that no well within the AOR penetrates the proposed injection interval.
- VII.
 1. The average injection rate is anticipated to be approximately 4,000 BWPD. The maximum rate will be approximately 15,000 BWPD. If the average or maximum rates increase in the future, the Division will be notified.
 2. This will be a closed system.
 3. Apache Corporation will initially inject water into the subject well at or below a surface injection pressure that is in compliance with the Division's limit of 0.2 psi/ft., or approximately 2,368 psi. If a surface injection pressure above 2,368 psi is necessary, Apache will conduct a step rate injection test to determine the fracture pressure of the Devonian and Ellenburger formations in this area.

4. Produced water from the Glorieta and Yeso formations originating from Apache Corporation operated wells in this area will be injected into the subject well. Attached is a water analysis from Apache's Barnsdall Federal Well No. 9 which produces from the East Empire Glorieta-Yeso Pool, and a water analysis from Apache's Barnsdall Federal Well No. 17 which produces from the Bear Grass Draw Glorieta-Yeso Pool.
5. There are currently no Devonian or Ellenburger pools within one mile of the proposed Barnsdall Federal SWD No. 1, and consequently, formation water samples are not available. The Devonian and Ellenburger formations are productive in numerous locations in Eddy and Lea Counties, and literature indicates that the water present in these formations is highly saline.

- VIII. Geologic Formation: Devonian
 Estimated Top: 11,840'
 Thickness: 1,100'
 Lithology: Dolomitic Limestone/Limestone
- Geologic Formation: Ellenburger
 Estimated Top: 12,958'
 Thickness: 42'
 Lithology: Dolomitic Limestone/Limestone
- USDW's: According to data obtained from the New Mexico State Engineer, there is a fresh water well located within one mile of the Barnsdall Federal SWD No. 1. This well data indicates the well to be 250 feet deep, but does not indicate depth to water.
- IX. If necessary, the well will be stimulated with a mild acid job.
- X. Logs will be filed subsequent to the completion of drilling operations.
- XI. Attached is a fresh water analysis obtained from a fresh water well located within one-mile of the proposed injection well.
- XII. Affirmative statement is enclosed.
- XIII. Proof of Notice is enclosed.

INJECTION WELL DATA SHEET

OPERATOR: Apache Corporation

WELL NAME & NUMBER: Barnsdall Federal SWD No. 1 (API No. N/A)

WELL LOCATION: <u>330' FNL & 1880' FEL</u>	<u>B</u>	<u>27</u>	<u>17 South</u>	<u>29 East</u>
FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC

See Attached Wellbore Schematic

WELL CONSTRUCTION DATA (PROPOSED)

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8" @ 500'

Cemented with: 580 Sx. or ft³

Top of Cement: Surface Method Determined: Circulate

Intermediate Casing

Hole Size: 12 1/4" Casing Size: 9 5/8" @ 4,500'

Cemented with: 1400 Sx. or ft³

Top of Cement: Surface Method Determined: Circulate

Production Casing

Hole Size: 8 3/4" Casing Size: 7" @ 13,000'

1st Stage-280 sx. DV Tool @ 11,350'
Cement with: 2nd Stage-850 sx. or ft³

Top of Cement: 3,000' Method Determined: Calculated

Total Depth: 13,000'

Injection Interval

Perforated Interval -11,840'- 13,000'

INJECTION WELL DATA SHEET

Tubing Size: 4 1/2"

Lining Material: Duo Lined (Extruded Thermoplastic)

Type of Packer: Model A Lockset Injection Packer

Packer Setting Depth: 11,740' or within 100' of the uppermost injection perforations

Other Type of Tubing/Casing Seal (if applicable): None

Additional Data

1. Is this a new well drilled for injection: X Yes No

If no, for what purpose was the well originally drilled:_____

2. Name of the Injection Formation: Devonian & Ellenburger

3. Name of Field or Pool (if applicable): N/A

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

None

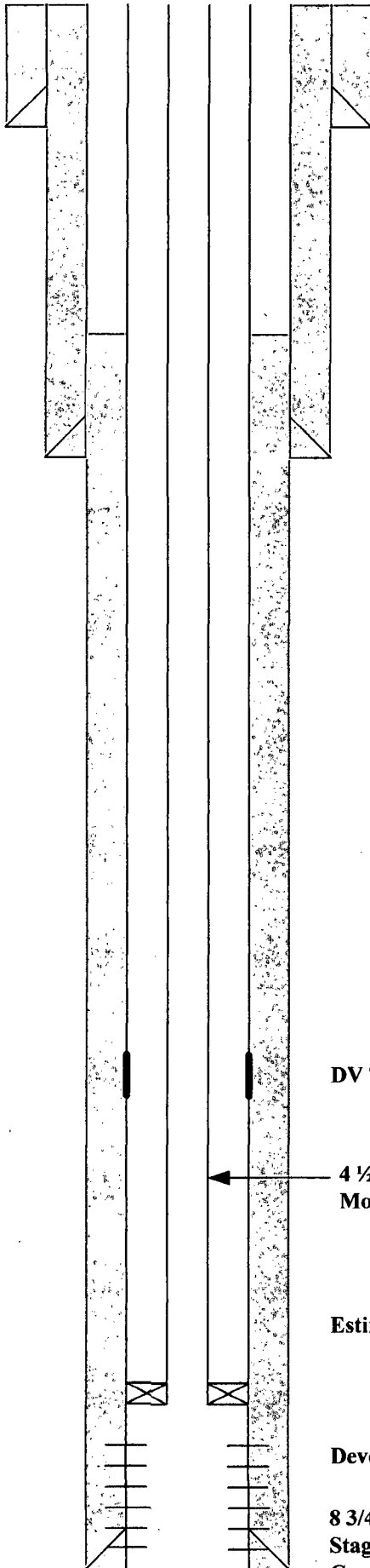
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool (2,900'); Bear Grass Draw Glorieta-Yeso Pool (6,100');

Grayburg Upper-Penn Pool (9,500'); Grayburg-Morrow Gas Pool;

Proposed Wellbore Configuration

Apache Corporation
Barnsdall Federal SWD No. 1
API No. N/A
330' FNL & 1880' FEL (Unit B)
Section 27, T-17 South, R-29 East, NMPM



17 ½" Hole; Set 13 3/8" 48# H-40 Csg @ 500'
Cement w/580 Sx. Circulate cement to surface.

TOC @ 3,000' (Proposed)

12 ¼" Hole; Set 9 5/8" 40# J-55 Csg @ 4,500'
Cement w/1400 Sx. Circulate cement to surface.

DV Tool @ 11,350'

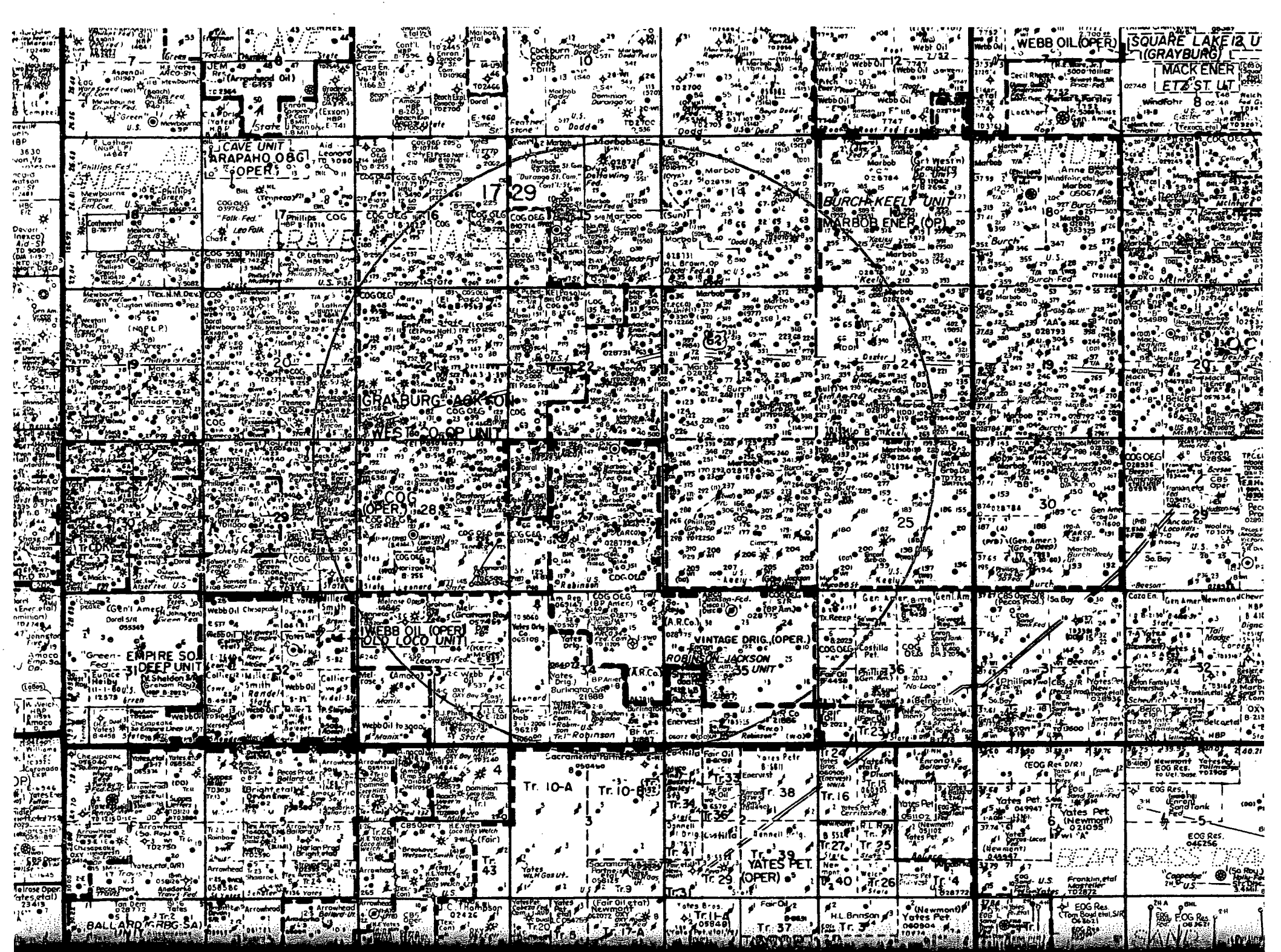
4 ½" Duo-Lined Injection Tubing set in a
Model A Lockset Packer @ 11,740'

Estimated Formation Tops: Devonian: 11,840'
Ellenburger: 12,958'

Devonian & Ellenburger Perforations: 11,840'-13,000'

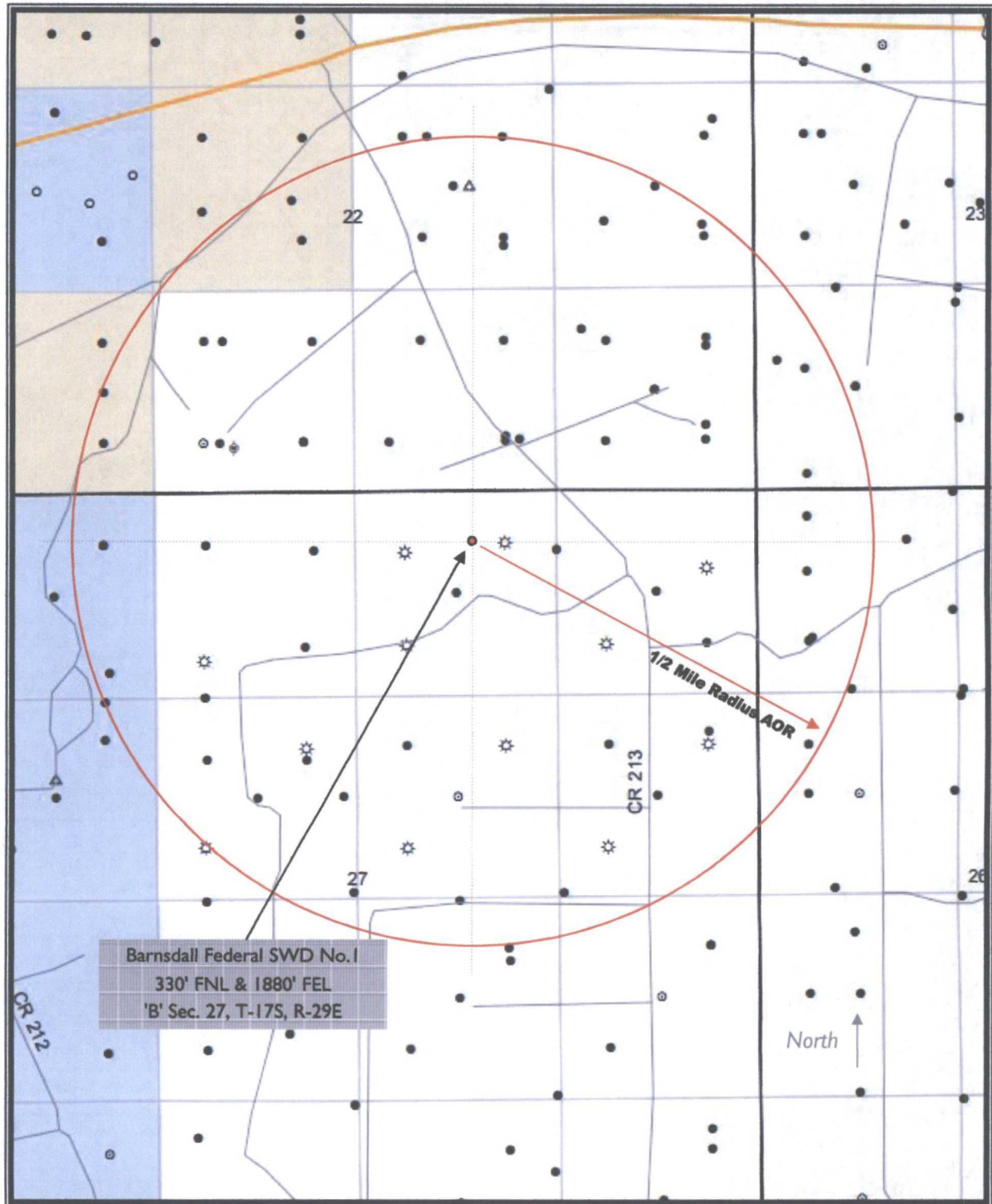
8 3/4" Hole; Set 7" 26# L-80 & HCL-80 Csg. @ 13,000'
Stage Cement: 1st-280 Sx. 2nd-850 Sx. DV Tool @ 11,350'
Cement to a depth of 3,000'

T.D. 13,000'



C-108 - Item V
Area of Review Map

Barnsdall Federal SWD No.1



APACHE CORPORATION
FORM C-108: BARNSDALL FEDERAL SWD NO. 1
AREA OF REVIEW WELL LIST

API NUMBER	OPERATOR	LEASE NAME	WELL NO.	WELL TYPE	STATUS	FTG. N/S	N/S	FTG. E/W	E/W	UNIT	SEC.	TSHP.	RNG.	TOTAL DEPTH
30-015-03153	COG Operating, LLC	RJ Unit	106	P	Active	990'	N	330'	E	A	27	17S	29E	3,310'
30-015-03164	COG Operating, LLC	RJ Unit	104	P	Active	660'	N	660'	E	A	27	17S	29E	2,800'
30-015-29147	Apache Corp.	Barnsdall Federal	2	P	Active	500'	N	330'	E	A	27	17S	29E	4,640'
30-015-30391	Apache Corp.	Barnsdall Federal	9	P	Active	990'	N	990'	E	A	27	17S	29E	4,694'
30-015-03140	COG Operating, LLC	RJ Unit	102	P	Active	660'	N	1980'	E	B	27	17S	29E	3,300'
30-015-25882	COG Operating, LLC	RJ Unit	103	P	Active	385'	N	1325'	E	B	27	17S	29E	3,500'
30-015-29146	Apache Corp.	Barnsdall Federal	1	P	Active	330'	N	1650'	E	B	27	17S	29E	5,766'
30-015-29973	Apache Corp.	Barnsdall Federal	10	P	Active	990'	N	2310'	E	B	27	17S	29E	4,566'
30-015-03155	COG Operating, LLC	RJ Unit	101	P	Active	990'	N	2310'	W	C	27	17S	29E	3,258'
30-015-29148	Apache Corp.	Barnsdall Federal	3	P	Active	1090'	N	1650'	W	C	27	17S	29E	4,600'
30-015-30142	Apache Corp.	Barnsdall Federal	4	P	Active	380'	N	2310'	E	C	27	17S	29E	4,690'
30-015-34624	COG Operating, LLC	RJ Unit	132	P	Active	330'	N	1650'	W	C	27	17S	29E	3,615'
30-015-37680	Apache Corp.	Barnsdall Federal	16	P	NYD	380'	N	2370'	W	C	27	17S	29E	6,150'
30-015-03160	Mack Energy Corp.	Robinson State	4	P	PA	330'	N	990'	W	D	27	17S	29E	3,225'
30-015-40255	COG Operating, LLC	BR-549 State	6	P	NYD	1165'	N	1015'	W	D	27	17S	29E	5,550'
30-015-03158	Alamo Permian Res.	Robinson State	3	P	Active	1345'	N	990'	W	E	27	17S	29E	3,263'
30-015-03143	COG Operating, LLC	RJ Unit	109	P	Active	2615'	N	2615'	W	F	27	17S	29E	2,877'
30-015-03177	COG Operating, LLC	RJ Unit	107	P	Active	1980'	N	1980'	W	F	27	17S	29E	2,840'
30-015-29339	Apache Corp.	Barnsdall Federal	5	P	Active	1650'	N	2310'	W	F	27	17S	29E	4,695'
30-015-31127	COG Operating, LLC	RJ Unit	108	P	Active	1740'	N	2310'	W	F	27	17S	29E	3,223'
30-015-34625	COG Operating, LLC	RJ Unit	133	P	Active	1330'	N	1650'	W	F	27	17S	29E	3,610'
30-015-34988	COG Operating, LLC	RJ Unit	149	P	NYD	1980'	N	2553'	W	F	27	17S	29E	3,600'
30-015-37681	Apache Corp.	Barnsdall Federal	17	P	Active	1730'	N	1650'	W	F	27	17S	29E	6,016'
30-015-03152	COG Operating, LLC	RJ Unit	110	I	Active	1980'	N	1980'	E	G	27	17S	29E	2,870'
30-015-29341	Apache Corp.	Barnsdall Federal	7	P	Active	2310'	N	2310'	E	G	27	17S	29E	6,600'
30-015-29974	Apache Corp.	Barnsdall Federal	12	P	Active	1650'	N	1650'	E	G	27	17S	29E	4,700'
30-015-35159	COG Operating, LLC	RJ Unit	150C	P	ND	1980'	N	1425'	E	G	27	17S	29E	N/A
30-015-37643	Apache Corp.	Barnsdall Federal	18	P	Active	1650'	N	2310'	E	G	27	17S	29E	6,046'
30-015-03151	COG Operating, LLC	RJ Unit	112	P	Active	1980'	N	660'	E	H	27	17S	29E	3,500'
30-015-03154	COG Operating, LLC	RJ Unit	111	P	Active	1650'	N	990'	E	H	27	17S	29E	3,310'
30-015-03157	COG Operating, LLC	RJ Unit	114	P	Active	2615'	N	1295'	E	H	27	17S	29E	2,920'
30-015-29340	Apache Corp.	Barnsdall Federal	6	P	Active	2310'	N	990'	E	H	27	17S	29E	4,700'
30-015-30392	Apache Corp.	Barnsdall Federal	11	P	Active	1650'	N	330'	E	H	27	17S	29E	4,705'
30-015-31210	COG Operating, LLC	RJ Unit	113	P	Active	1570'	N	330'	E	H	27	17S	29E	3,620'
30-015-34976	COG Operating, LLC	RJ Unit	138	P	Active	2630'	S	1980'	E	J	27	17S	29E	3,610'
30-015-03130	COG Operating, LLC	Burch Keely Ut.	127	P	Active	330'	N	990'	W	D	26	17S	29E	3,325'
30-015-03138	Marbob Energy Corp.	Burch Keely Ut.	125	P	PA	990'	N	330'	W	D	26	17S	29E	3,225'
30-015-24417	COG Operating, LLC	Burch Keely Ut.	126	P	Active	530'	N	330'	W	D	26	17S	29E	3,507'
30-015-29478	COG Operating, LLC	Burch Keely Ut.	268	P	Active	955'	N	365'	W	D	26	17S	29E	4,745'

AREA OF REVIEW WELL LIST (PAGE 2)

NYD-Not Yet Drilled; ND-Never Drilled

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	APACHE CORPORATION	Sales RDT:	33514
Region:	PERMIAN BASIN	Account Manager:	REGGIE GUY (575) 513-9135
Area:	ARTESIA, NM	Sample #:	580738
Lease/Platform:	BARNSDALL FED	Analysis ID #:	119642
Entity (or well #):	9	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 580738 @ 75 F							
Sampling Date:	04/13/12	Anions		mg/l	meq/l	Cations		mg/l	meq/l
Analysis Date:	04/26/12	Chloride:	56172.0	1584.41	Sodium:	35903.6	1561.72		
Analyst:	STACEY SMITH	Bicarbonate:	939.4	15.4	Magnesium:	226.0	18.59		
TDS (mg/l or g/m3):	99816	Carbonate:	0.0	0	Calcium:	1973.0	98.45		
Density (g/cm3, tonne/m3):	1.065	Sulfate:	4237.0	88.21	Strontium:	36.0	0.82		
Anion/Cation Ratio:	1	Phosphate:			Barium:	0.1	0		
		Borate:			Iron:	1.5	0.05		
		Silicate:			Potassium:	327.0	8.36		
Carbon Dioxide:	200 PPM	Hydrogen Sulfide:		221 PPM	Aluminum:				
Oxygen:		pH at time of sampling:		6.6	Chromium:				
Comments:		pH at time of analysis:			Copper:				
RESISTIVITY: .075 OHM-M @ 75°F		pH used in Calculation:		6.6	Lead:				
					Manganese:	0.400	0.01		
					Nickel:				

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.53	71.15	-0.02	0.00	-0.05	0.00	0.00	0.00	0.57	0.00	1.91
100	0	0.63	85.77	-0.08	0.00	-0.03	0.00	-0.02	0.00	0.38	0.00	2.43
120	0	0.73	100.70	-0.12	0.00	0.01	18.74	-0.02	0.00	0.22	0.00	3
140	0	0.84	115.94	-0.15	0.00	0.07	167.09	-0.02	0.00	0.08	0.00	3.61

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

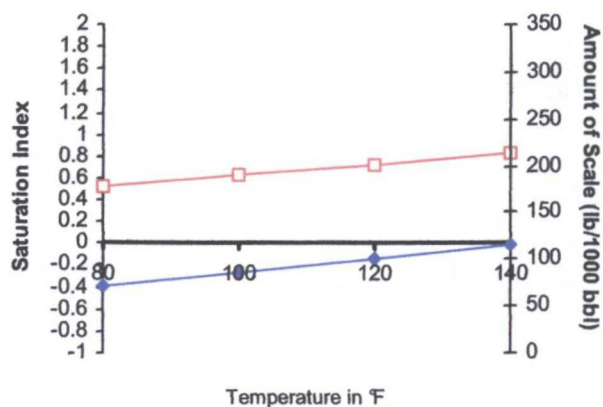
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.

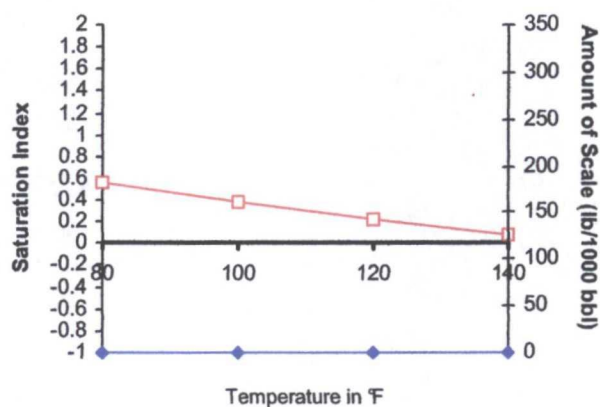
Scale Predictions from Baker Petrolite

Analysis of Sample 580738 @ 75 °F for APACHE CORPORATION, 04/26/12

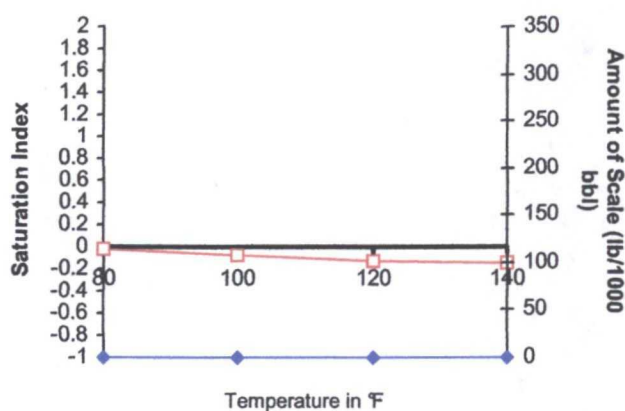
Calcite - CaCO_3



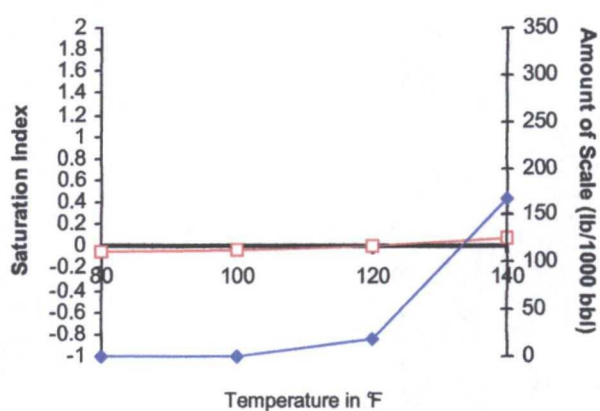
Barite - BaSO_4



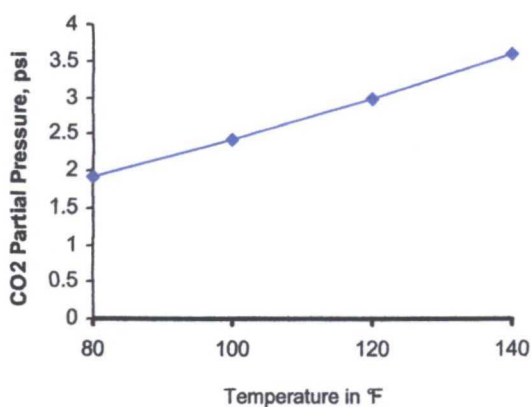
Gypsum - $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$



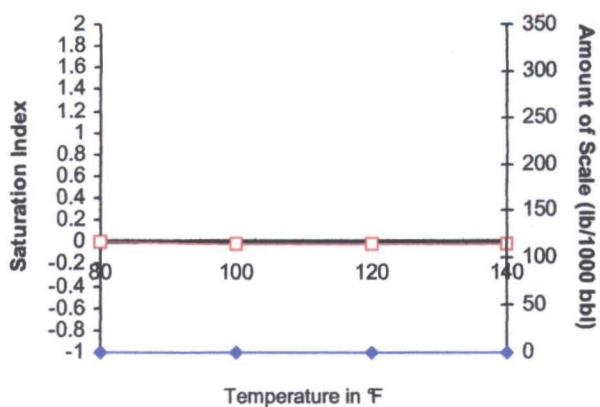
Anhydrite - CaSO_4



Carbon Dioxide Partial Pressure



Celestite - SrSO_4



North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	APACHE CORPORATION	Sales RDT:	33512
Region:	PERMIAN BASIN	Account Manager:	WAYNE PETERSON (575) 910-9389
Area:	LOCO HILL, NM	Sample #:	580725
Lease/Platform:	BARNSDALL FED	Analysis ID #:	118869
Entity (or well #):	17	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 580725 @ 75 °F					
Sampling Date:	03/28/12	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	04/05/12	Chloride:	141028.0	3977.89	Sodium:	72252.0	3142.78
Analyst:	LEAH DURAN	Bicarbonate:	73.2	1.2	Magnesium:	3784.0	311.29
TDS (mg/l or g/m3):	231342	Carbonate:	0.0	0.	Calcium:	10305.0	514.22
Density (g/cm3, tonne/m3):	1.155	Sulfate:	1906.0	39.68	Strontium:	267.0	6.09
Anion/Cation Ratio:	1	Phosphate:			Barium:	0.2	0.
		Borate:			Iron:	21.0	0.76
		Silicate:			Potassium:	1705.0	43.6
Carbon Dioxide:	200 PPM	Hydrogen Sulfide:		0	Aluminum:		
Oxygen:		pH at time of sampling:		6.2	Chromium:		
Comments:		pH at time of analysis:			Copper:		
		pH used in Calculation:		6.2	Lead:		
					Manganese:	0.600	0.02
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	-0.14	0.00	0.19	352.34	0.23	323.47	0.21	59.14	0.19	0.00	0.29
100	0	-0.06	0.00	0.11	224.52	0.22	310.29	0.18	53.26	-0.01	0.00	0.35
120	0	0.02	0.28	0.05	98.11	0.23	325.43	0.17	50.17	-0.19	0.00	0.41
140	0	0.10	1.12	-0.01	0.00	0.27	363.55	0.17	49.61	-0.34	0.00	0.47

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

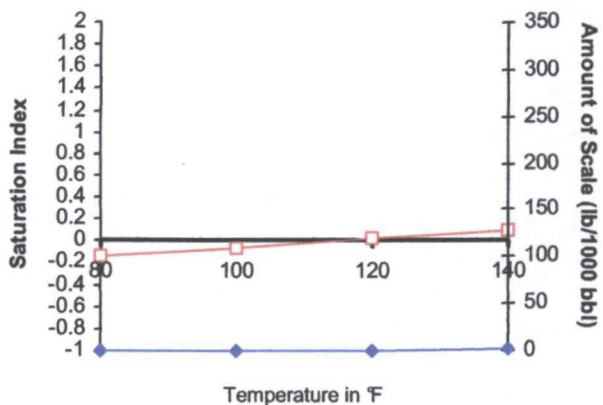
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

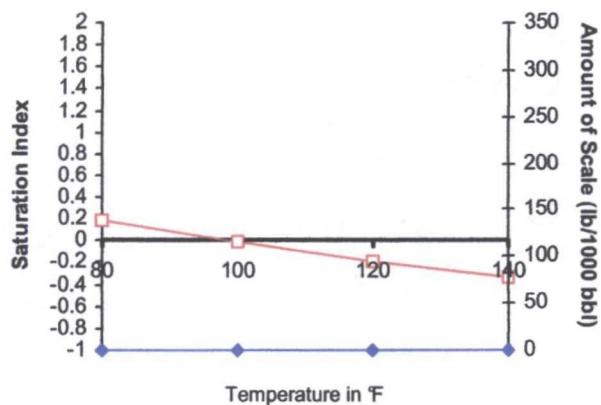
Scale Predictions from Baker Petrolite

Analysis of Sample 580725 @ 75 °F for APACHE CORPORATION, 04/05/12

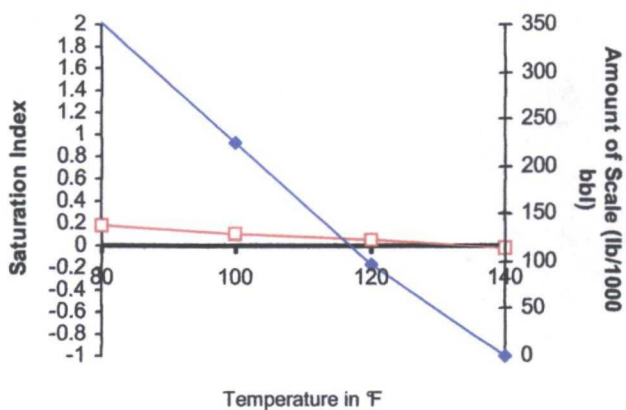
Calcite - CaCO_3



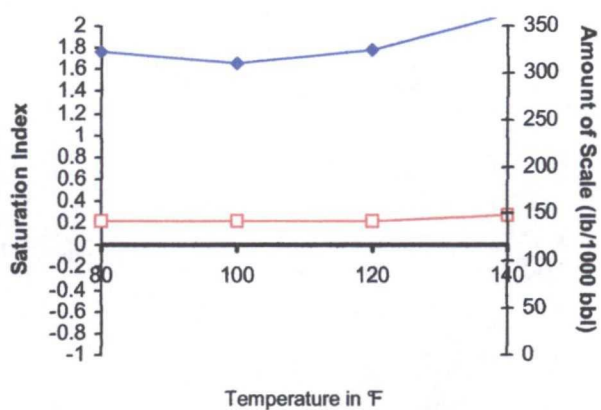
Barite - BaSO_4



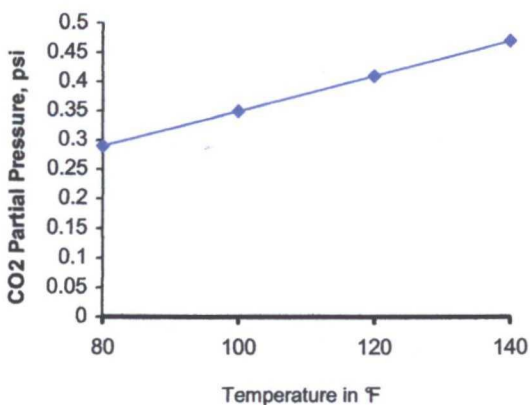
Gypsum - $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$



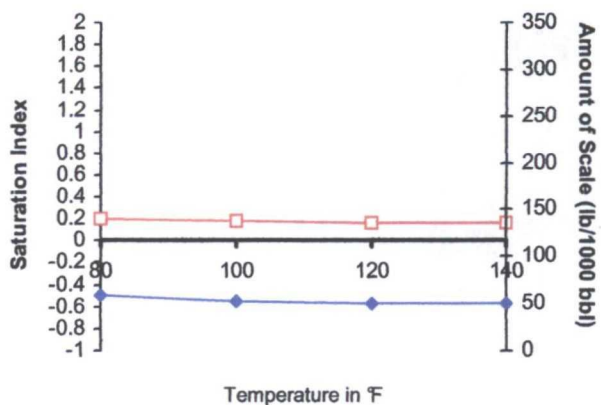
Anhydrite - CaSO_4



Carbon Dioxide Partial Pressure



Celestite - SrSO_4





New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced,
O=orphaned,

C=the file is

closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD			Q Q Q			Depth	Depth	Water		
POD Number	Code	Subbasin	County	64 16 4 Sec	Tws	Rng	X	Y	Well	Water Column

RA 11807 POD1

ED 1 2 3 22 17S 29E 587360 3631585 250

Average Depth to Water: --

Minimum Depth: --

Maximum Depth: --

Record Count: 1

PLSS Search:

Section(s): 21-23

Township: 17S

Range: 29E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer **Water Column/Average Depth to Water**

No records found.

PLSS Search:

Section(s): 26-28

Township: 17S

Range: 29E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

9/24/12 12:58 PM

Page 1 of 1

**WATER COLUMN/ AVERAGE
DEPTH TO WATER**

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	APACHE CORPORATION	Sales RDT:	33514
Region:	PERMIAN BASIN	Account Manager:	REGGIE GUY (575) 513-9135
Area:	ARTESIA, NM	Sample #:	636219
Lease/Platform:	BARNSDALL FEDERAL	Analysis ID #:	126370
Entity (or well #):	FRESH WATER WELL	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 636219 @ 75 °F					
Sampling Date:	10/30/12	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	11/13/12	Chloride:	23900.0	674.13	Sodium:	14080.5	612.47
Analyst:	SANDRA GOMEZ	Bicarbonate:	195.2	3.2	Magnesium:	511.0	42.04
TDS (mg/l or g/m3):	44492.9	Carbonate:	0.0	0.	Calcium:	1963.0	97.95
Density (g/cm3, tonne/m3):	1.031	Sulfate:	3737.0	77.8	Strontium:	29.0	0.66
Anion/Cation Ratio:	1	Phosphate:			Barium:	0.1	0.
		Borate:			Iron:	3.5	0.13
		Silicate:			Potassium:	73.0	1.87
					Aluminum:		
Carbon Dioxide:	30 PPM	Hydrogen Sulfide:		0 PPM	Chromium:		
Oxygen:		pH at time of sampling:		6.5	Copper:		
Comments:		pH at time of analysis:			Lead:		
		pH used in Calculation:		6.5	Manganese:	0.600	0.02
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	-0.22	0.00	0.12	359.53	0.07	165.34	0.05	2.01	0.72	0.00	0.55
100	0	-0.11	0.00	0.09	280.04	0.10	256.23	0.04	2.01	0.55	0.00	0.71
120	0	0.01	0.67	0.07	233.43	0.17	396.42	0.05	2.35	0.41	0.00	0.88
140	0	0.14	5.37	0.07	215.31	0.25	564.45	0.07	3.02	0.29	0.00	1.05

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

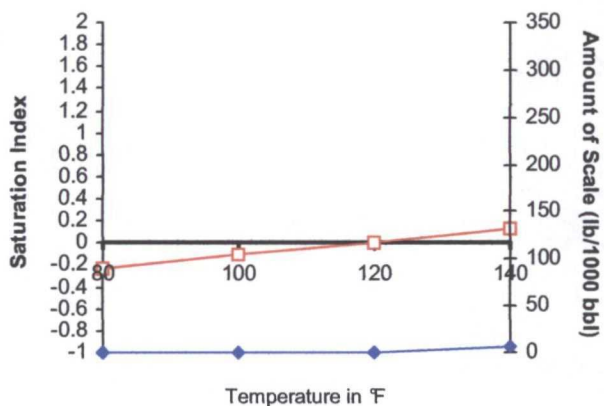
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

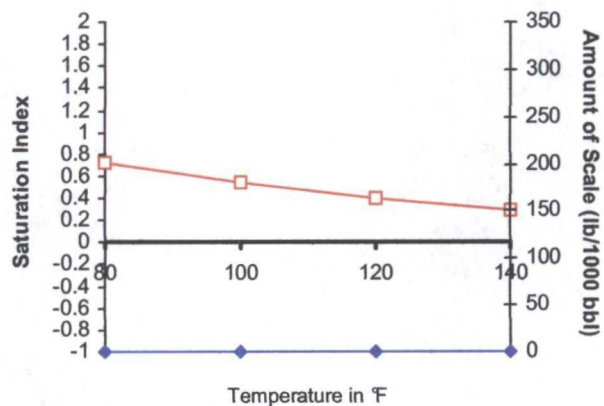
Scale Predictions from Baker Petrolite

Analysis of Sample 636219 @ 75 °F for APACHE CORPORATION, 11/13/12

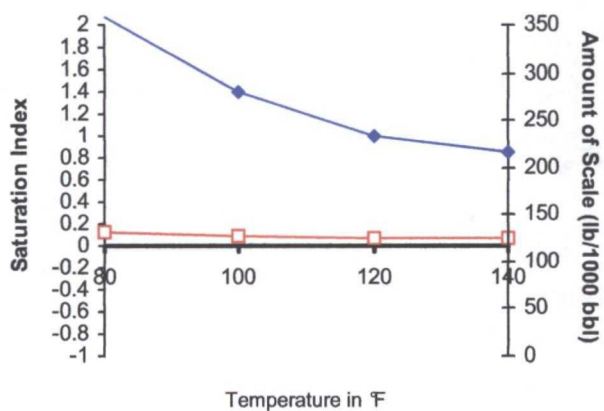
Calcite - CaCO_3



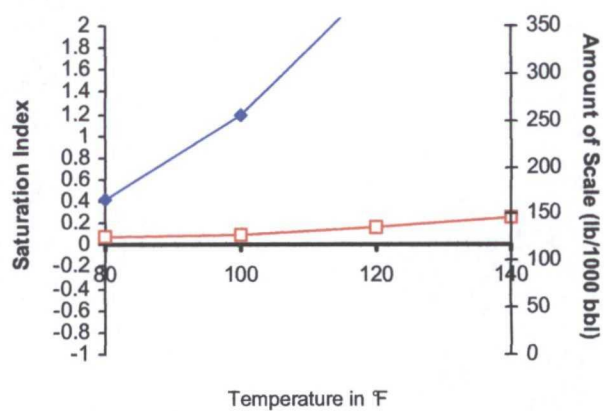
Barite - BaSO_4



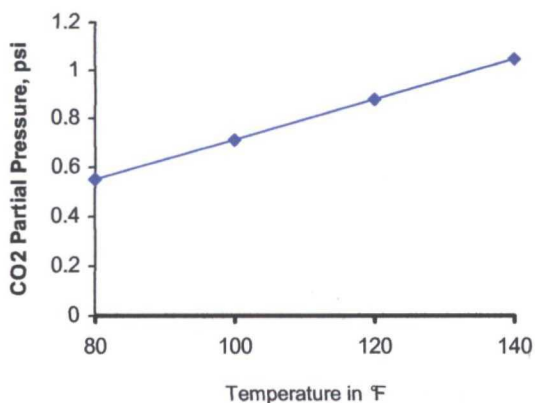
Gypsum - $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$



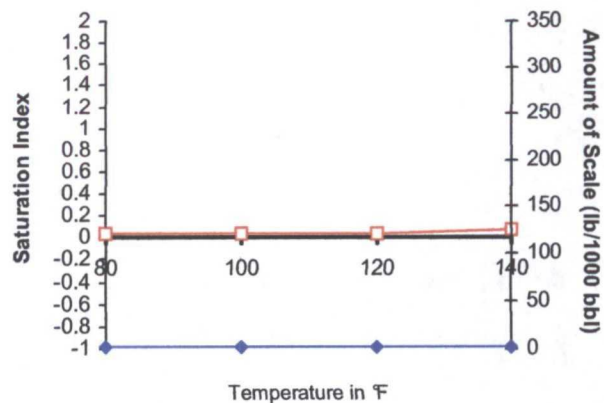
Anhydrite - CaSO_4



Carbon Dioxide Partial Pressure



Celestite - SrSO_4

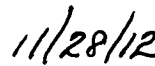


Form C-108
Affirmative Statement
Apache Corporation
Barnsdall Federal SWD No. 1
Section 27, T-17 South, R-29 East, NMPM,
Eddy County, New Mexico

Available geologic and engineering data has been examined and no evidence of open faults or hydrological connection between the injection zone and any underground sources of drinking water has been found.



David Catanach
Agent for Apache Corporation



Date

November 28, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OFFSET LEASEHOLD OWNERS & SURFACE OWNER

Re: Apache Corporation
Form C-108 (Application for Authorization to Inject)
Barnsdall Federal SWD No. 1
API No. N/A
330' FNL & 1880' FEL, Unit B, Section 27, T-17S, R-29E, NMPM,
Eddy County, New Mexico

Ladies & Gentlemen:

Enclosed please find a copy of Oil Conservation Division Form C-108 (Application for Authorization to Inject) for the Apache Corporation Barnsdall Federal SWD No. 1. You are being provided a copy of the application as an offset leaseholder or the surface owner of the land on which the well is located. Apache Corporation proposes to drill the Barnsdall Federal SWD No. 1 and utilize the well as a produced water disposal well, injection to occur into the Devonian and Ellenburger formations through the perforated interval from approximately 11,840 feet to 13,000 feet.

Objections must be filed with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 15 days.

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

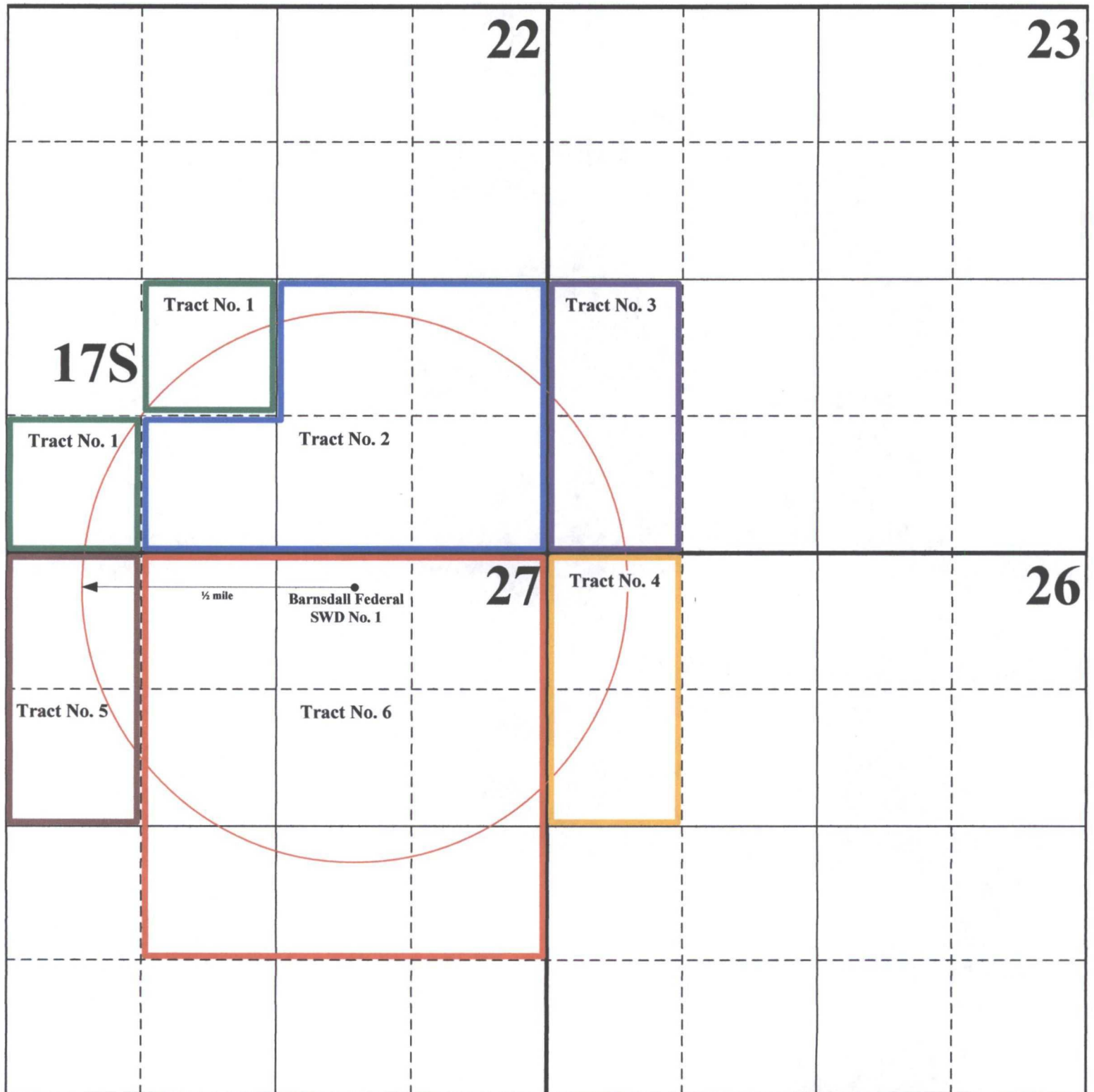
Sincerely,



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

Enclosure

29 East



Apache Corporation
Form C-108: Barnsdall Federal SWD No. 1
Offset Leasehold Owner Tract Identification

Apache Corporation
Form C-108: Barnsdall Federal SWD No. 1
Section 27, T-17 South, R-29 East, NMPM
Eddy County, New Mexico

Offset Leasehold Owner Notification List (See Attached Map)

Tract No. 1

Leasehold Owner: (All depths below 5,000')

Cimarex Energy Company ✓
600 N. Marienfeld Street
Suite 600
Midland, Texas 79701

Tract No. 2

Leasehold Owner: (All depths below 10,964')

COG Operating, LLC ✓
Concho Oil & Gas Company
600 W. Illinois Ave.
One Concho Center
Midland, Texas 79701

Tract No. 3

Leasehold Owner (All depths below the top of the Devonian Formation):

ConocoPhillips Company ✓
P.O. Box 7500
Bartlesville, Oklahoma 74005

Tract No. 4

Leasehold Owner (All depths below the top of the Devonian Formation):

ConocoPhillips Company ✓

Tract No. 5

Leasehold Owner (All depths below 11,163'):

Chase Oil Corporation ✓
P.O. Box 1767
Artesia, New Mexico 88211-1767

Robert C. Chase ✓
P.O. Box 960
Artesia, New Mexico 88211-0960

Apache Corporation
Form C-108: Barnsdall Federal SWD No. 1
Section 27, T-17 South, R-29 East, NMPM
Eddy County, New Mexico

Offset Leasehold Owner Notification List (Page 2)

Tract No. 5 (Cont.)

Bill W. Chase ✓
P.O. Box 515
Artesia, New Mexico 88211-0515

Buckhorn Enterprises Corporation ✓
2101 West Runyan Ave.
Artesia, New Mexico 88210

Ventana Minerals, LLC ✓
P.O. Box 359
Artesia, New Mexico 88211-0359

Diakan Minerals, LLC ✓
P.O. Box 693
Artesia, New Mexico 88211-0693

Tract No. 6

Leasehold Owner (All depths below the base of the Abo Formation)

ZPZ Delaware I, LLC
(Wholly owned subsidiary of ✓
Apache Corporation)

Surface Owner

Bureau of Land Management ✓
620 E. Greene Street
Carlsbad, New Mexico 88220-6292

Additional Notice

Oil Conservation Division
811 S. First Street
Artesia, New Mexico 88210

7012 0470 0001 5936 1303

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.90
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.20
Sent To Chase Oil Corporation P.O. Box 1767 Street, Apt. No., or PO Box Artesia, New Mexico 88211-1767 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1242

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.70
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.00
Sent To Buckhorn Enterprises Corporation 2101 West Runyan Ave. Street, Apt. No., or PO Box Artesia, New Mexico 88210 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1297

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.90
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.20
Sent To ConocoPhillips Company P.O. Box 7500 Street, Apt. No., or PO Box Bartlesville, Oklahoma 74005 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1259

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.70
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.00
Sent To Bill W. Chase P.O. Box 515 Street, Apt. No., or PO Box Artesia, New Mexico 88211-0515 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1280

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.70
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.00
Sent To COG Operating, LLC Concho Oil & Gas Company 600 W. Illinois Ave. Street, Apt. No., or PO Box One Concho Center Midland, Texas 79701 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1266

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.70
Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.00
Sent To Robert C. Chase P.O. Box 960 Street, Apt. No., or PO Box Artesia, New Mexico 88211-0960 City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

7012 0470 0001 5936 1228

U.S. Postal Service™		CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)			
For delivery information visit our website at www.usps.com			
OFFICIAL USE			
Postage	\$	\$1.70	0501
Certified Fee		\$2.95	10
Return Receipt Fee (Endorsement Required)		\$2.35	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	NOV 28 2012
Total Postage & Fees	\$	\$7.00	11/28/2012
Sent To: Diakan Minerals, LLC			
P.O. Box 693			
Street, Apt. No., or PO Box: Artesia, New Mexico 88211-0693			
City, State, ZIP+4			
PS Form 3800, August 2006 See Reverse for Instructions			

7012 0470 0001 5936 1273

U.S. Postal Service™		CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)			
For delivery information visit our website at www.usps.com			
OFFICIAL USE			
Postage	\$	\$1.90	0501
Certified Fee		\$2.95	10
Return Receipt Fee (Endorsement Required)		\$2.35	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	NOV 28 2012
Total Postage & Fees	\$	\$7.20	11/28/2012
Sent To: Cimarex Energy Company			
600 N. Marienfeld Street			
Suite 600			
Street, Apt. No., or PO Box No. Midland, Texas 79701			
City, State, ZIP+4			
PS Form 3800, August 2006 See Reverse for Instructions			

7012 0470 0001 5936 1235

U.S. Postal Service™		CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)			
For delivery information visit our website at www.usps.com			
OFFICIAL USE			
Postage	\$	\$1.70	0501
Certified Fee		\$2.95	10
Return Receipt Fee (Endorsement Required)		\$2.35	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	NOV 28 2012
Total Postage & Fees	\$	\$7.00	11/28/2012
Sent To: Ventana Minerals, LLC			
P.O. Box 359			
Street, Apt. No., or PO Box: Artesia, New Mexico 88211-0359			
City, State, ZIP+4			
PS Form 3800, August 2006 See Reverse for Instructions			

7012 0470 0001 5936 1211

U.S. Postal Service™		CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)			
For delivery information visit our website at www.usps.com			
OFFICIAL USE			
Postage	\$	\$1.90	0501
Certified Fee		\$2.95	10
Return Receipt Fee (Endorsement Required)		\$2.35	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	NOV 28 2012
Total Postage & Fees	\$	\$7.20	11/28/2012
Sent To: Bureau of Land Management			
620 E. Greene Street			
Street, Apt. No., or PO Box No. Carlsbad, New Mexico 88220-6292			
City, State, ZIP+4			
PS Form 3800, August 2006 See Reverse for Instructions			

Form C-108
Apache Corporation
Barnsdall Federal SWD No. 1
Section 27, T-17 South, R-29 East, NMPM,
Eddy County, New Mexico

The following-described legal notice will be published in the:

Artesia Daily Press
503 W. Main Street
Artesia, New Mexico 88210-2067

The Affidavit of Publication will be forwarded to the Division upon receipt by Apache Corporation.

LEGAL NOTICE

Apache Corporation, 303 Veterans Airpark Lane, Suite 3000, Midland, Texas 79705 has filed a Form C-108 (Application for Authorization to Inject) with the Oil Conservation Division ("Division") seeking administrative approval to drill its proposed Barnsdall Federal SWD No. 1 (API No. N/A) located 330 feet from the North line and 1880 feet from the East line (Unit B) of Section 27, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico and complete the well as a produced water disposal well in the Devonian and Ellenburger formations. Injection is to occur through the perforated interval from approximately 11,840 feet to 13,000 feet.

Produced water from the Glorieta & Yeso formations originating from Apache Corporation operated wells in this area will be injected into the Barnsdall Federal SWD No. 1 at average and maximum rates of 4,000 and 15,000 barrels of water per day, respectively. The initial surface injection pressure for the well is anticipated to be at or below 2,368 psi., which is in compliance with Division regulations. The maximum surface injection pressure will be determined by step rate injection test.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 15 days of the date of this publication.

Additional information can be obtained by contacting Mr. David Catanach Agent-Apache Corporation at (505) 690-9453.

Jones, William V., EMNRD

From: David Catanach <drcatanach@netscape.com>
Sent: Tuesday, December 04, 2012 7:10 AM
To: Jones, William V., EMNRD
Subject: Apache-Legal Ad
Attachments: Legal Ad-Barnsdall.pdf

Will,

Attached is the affidavit of publication for the SWD application that I filed last week for the Apache Barnsdall Federal SWD No. 1

If there is anything else you need, let me know.

Thanks,

David

Netscape. Just the Net You Need.

Affidavit of Publication

NO.

22385

STATE OF NEW MEXICO

County of Eddy:

Danny Scott

being duly sworn, says that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/days on the same day as follows:

First Publication November 29, 2012

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

29th day of November 2012



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 3/12/2015

Latisha Romine

Latisha Romine
Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

Apache Corporation, 303 Veterans Airpark Lane, Suite 3000, Midland, Texas 79705 has filed a Form C-108 (Application for Authorization to Inject) with the Oil Conservation Division ("Division") seeking administrative approval to drill its proposed Barnsdall Federal SWD No. 1 (API No. N/A) located 330 feet from the North line and 1880 feet from the East line (Unit B) of Section 27, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico and complete the well as a produced water disposal well in the Devonian and Ellenburger formations. Injection is to occur through the perforated interval from approximately 11,840 feet to 13,000 feet.

Produced water from the Glorieta & Yeso formations originating from Apache Corporation operated wells in this area will be injected into the Barnsdall Federal SWD No. 1 at average and maximum rates of 4,000 and 15,000 barrels of water per day, respectively. The initial surface injection pressure for the well is anticipated to be at or below 2,368 psi., which is in compliance with Division regulations. The maximum surface injection pressure will be determined by step rate injection test.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 15 days of the date of this publication.

Additional information can be obtained by contacting Mr. David Catanach Agent-Apache Corporation at (505) 690-9453.

Published in the Artesia Daily Press, Artesia, N.M., Nov. 29, 2012. Legal No 22385.

Injection Permit Checklist

First Email Date: 1/2/12Final Reply Date: 1/29/12Final Notice Date: 1/29/12Issued Permit: Type: WFX/PMX/SWD Number: 1379Permit Date: 1/3/12(Legacy Permit:)# Wells: 1 Well Name(s): BARNES DALL Federal SWD #1API Num: 30-015-NASpud Date: N.Y.New/Old: N (UIC CI II Primacy March 7, 1982)Footages: 330 FNL/1880 FEL Lot Unit B Sec 27 Tsp 15 Rge 29E County EDDYGeneral Location or Pool Area: GBG JACKSON West AREAOperator: APACHE CORP.Contact: DAVID CATANACITOGRID: 873RULE 5.9 Compliance (Wells) 2/223(Finan Assur) OK IS 5.9 OK? OKWell File Reviewed Current Status: NOT PermittedPlanned Work to Well: Permit/Pull/EOP/DRASEDiagrams: Before Conversion After Conversion Are Elogs in Imaging?: NOT Drilled

Well Details:

	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned <input checked="" type="checkbox"/> or Existing <u> </u> Surface	17 1/2 13 3/8	500'	—	580 SX	CIRC
Planned <input checked="" type="checkbox"/> or Existing <u> </u> Interm	12 1/4 9 5/8	4500'	—	1400 SX	CIRC
Planned <input checked="" type="checkbox"/> or Existing <u> </u> LongSt	8 3/4 - 7"	13,000	11,350	280/850	3000' CALC
Planned <u> </u> or Existing <u> </u> Liner					
Planned <u> </u> or Existing <u> </u> OpenHole					

Depths/Formations:

	Depths, Ft.	Formation	Tops?
Above			
Above	11840	DEV	<input checked="" type="checkbox"/>
Proposed Interval TOP	11840	Dev	
Proposed Interval BOTTOM	13,000	ELL	
Below	12958	ELL	<input checked="" type="checkbox"/>
Below			

Max. PSI 2358 OpenHole Perfs
Tubing Size 4 1/2 Packer Depth 11740'Capillary Reef? (in thru) Potash? Noticed? (WIPP?) Noticed? Salado Top Bot Cliff House? Fresh Water: Max Depth: 250' FW Formation: Wells? yes Analysis? Affirmative Statement Disposal Fluid: Formation Source(s) GILOR/yea On Lease Only from Operator or Commercial Disposal Interval: Protectable Waters? NO H/C Potential: Log /Mudlog /DST /Tested /Depleted Other NO CLOSE PROD.Notice: Newspaper Post Date 1/29/12 Surface Owner BLM N. Date 1/28/12RULE 26.7(A) Affected Persons See LISTN. Date 1/28/12AOR: Maps? Well List? Producing in Interval? NO Formerly Produced in Interval? NOPenetrating.....No. Active Wells 0 Num Repairs? on which well(s)? Penetrating.....No. P&Aed Wells 0 Num Repairs? on which well(s)? Diagrams? Permit Conditions: NO LOGIssues: Cheser Gos/3 mi SOUTHIssues: Issues: