Ezeanyim, Richard, EMNRD

From:	David Catanach < drcatanach@netscape.com>
Sent:	Monday, June 17, 2013 7:17 AM
To:	Ezeanyim, Richard, EMNRD
Subject:	Re: Geronimo 28 State SWD Well No. 2
Richard,	
As per the wellbore di depth of 9,500 and the shown on the diagram	agram attached to the application, the Geronimo 28 State-SWD-Well-No. 2 has been drilled to a total ne surface, intermediate and production casing strings have been set and cemented in the well as no
1378. The only differe	ent application is the same as the AOR I presented in the previous application to amend SWD- ence is that because of the change in the depth of the injection interval, there are now three wells ection interval, where there were no wells in the previous application that penetrated the injection
If you have any other	questions, please advise.
Thank you and Have	a Nice Day.
David	
richard.ezeanyim@	<u>state.nm.us</u> wrote:
To: "drcatanach@nets	chard, EMNRD" < <u>richard.ezeanyim@state.nm.us</u> > scape.com" < <u>drcatanach@netscape.com</u> > B State SWD Well No. 2 3 20:50:50 +0000
AOR wells for SWD-1	this well has already been drilled, and if so, to what depth. Second, please reconcile the updated 378-A amended order with the current application. One would expect the AOR wells to be the same tion of 2135 feet FSL, and 690 feet FEL of the well is the same for both applications. Thank you.
Richard	
Netscape. Just the l	Net You Need.

ENGINEER RE

05/23/7013

TYPE SWD

2PRG1314337687

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Apache Corp Geronimo 28 state SWD No.Z

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-40876

TH	IS CHECKLIS	T IS MAND	ATORY FOR ALL ADMINISTRATIVE API WHICH REQUIRE PROCESSING			AND REGULATIONS
Applica	[DHC-] P	-Standar Downhoi C-Pool C [WF	rd Location] [NSP-Non-Stands le Commingling] [CTB-Leas Commingling] [OLS - Off-Lea	ard Proration U e Commingling se Storage] PMX-Pressure in [IPI-Injection i	nit] [SD-Simultaneous Dec] [PLC-Pool/Lease Comn [OLM-Off-Lease Measurem faintenance Expansion] Pressure Increase]	ningling] ent]
[1]			ICATION - Check Those White ocation - Spacing Unit - Simult NSL NSP SD	- · · · -	=	
	C [H		e Only for [B] or [C] ommingling - Storage - Measur DHC		OLS OLM	
	[(C) In	ijection - Disposal - Pressure In WFX PMX SWI			
	IJ	o] 0	ther: Specify * Application to	Amend Orde	r No. SWD-1378-A	Change to
[2]		CATION	REQUIRED TO: - Check The Working, Royalty or Overrice			Unange to injection inter
	[]	3]	Offset Operators, Leasehold	ers or Surface C	Owner	
	[0	c) =	Application is One Which R	equires Publish	ed Legal Notice	
	[]	D] [Notification and/or Concurre U.S. Bureau of Land Management - Commi	ent Approval by	BLM or SLO State Land Office	
	[]	E] 🔳	For all of the above, Proof of	f Notification or	Publication is Attached, an	nd/or,
	[]	F] [Waivers are Attached			
[3]			RATE AND COMPLETE IN ON INDICATED ABOVE.	FORMATION	REQUIRED TO PROCE	SS THE TYPE
	al is <mark>accur</mark> a	ate and c	ON: I hereby certify that the infemplete to the best of my knowed information and notification	wledge. I also u	inderstand that no action wi	
			tement must be completed by an inc	lividual with mana	gerial and/or supervisory capaci	ty.
	Catanach Type Name	s Si	Lauid (atan)		Agent-Apache Corporati	<u>on</u>
		D	David Catami ignature 5/22/13		drcatanach@netscape.com E-Mail Address	<u>. </u>

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 – Application to Amend Order No. SWD-1378-A
Apache Corporation
Geronimo 28 State SWD No. 2
API No. (30-015-40876)
2135' FSL & 690' FEL, Unit I
Section 28, T-17S, R-28E, NMPM,
Eddy County, New Mexico

Dear Ms. Bailey,

By Order No. SWD-1378-A dated March 17, 2013 Apache Corporation ("Apache") was authorized to complete its Geronimo 28 State SWD No. 2 as a produced water disposal well, injection to occur from the Devonian formation through the base of the Ellenburger formation through perforations from approximately 11,404 feet to 12,500 feet.

After testing the injectivity of the Devonian and Ellenburger formations in an offset disposal well, Apache has elected to complete the Geronimo 28 State SWD No. 2 as a produced water disposal well in the Wolfcamp/Cisco interval through perforations from approximately 7,176 feet to 9,150 feet. Consequently, Apache is seeking approval to amend Order No. SWD-1378-A to authorize injection into the Wolfcamp/Cisco interval in the subject well.

The application to amend Order No. SWD-1378-A includes:

- 1. Form C-108:
- 2. Injection well data sheet and wellbore schematic diagram showing all well construction and completion details;
- 3. Injection Interval Geologic Data
- 4. Updated Area of Review "AOR" well table. As per the original Devonian completion, no AOR wells penetrated the injection interval. As per the new Wolfcamp/Cisco completion, there are three AOR wells that penetrate the injection interval. Well construction data for these wells is shown. The data shows that these wells are constructed so as to preclude the migration of fluid from the proposed injection interval;
- 5. Affirmative Statement;
- 6. Offset operator/leasehold owner/surface owner notification letter;
- 7. AOR notice map showing all numbered offset tracts;

7

- 8. Updated leasehold owner/operator list. As a result of the change in the injection interval depth, the lease ownership of Tract No. 12 changed from the original application, as shown on the updated leasehold owner list. All leasehold owners and all operators of wells that penetrate the injection interval within a ½ mile radius of the Geronimo 28 State SWD No. 2 are being provided notice of this application;
- 9. Publication Notice. The affidavit of publication will be provided to the OCD upon receipt by Apache from the Artesia Daily News; and
- 10. Copy of Order No. SWD-1378-A.

All other aspects with regards to the proposed disposal operation will be conducted in accordance with the original C-108 application.

I believe that all the information necessary to amend Order No. SWD-1378-A 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

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

FORM C-108 Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? 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: Application is to amend Order No. SWD-1378-A
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:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, 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:
	SIGNATURE: David (dam) DATE: 5/22/13
*	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.

INJECTION WELL DATA SHEET

OPERATOR: Ap	ache Corporation				
WELL NAME & NUMB	ER: Geronimo 28 State SWD N	o. 2 (API No. 30-015-40876)			
WELL LOCATION:	2135' FSL & 690' FEL FOOTAGE LOCATION	I UNIT LETTER	28 SECTION	17 South TOWNSHIP	28 East RANGE
<u>WELLBO</u>	RE SCHEMATIC			CTION DATA	KANGE
See Attack	ned Wellbore Schematic	Hole Size: 17 ½"		Casing Size: 13 3/	<u>′8" @ 488'</u>
		Cemented with: 9	50 Sx	or	ft³
		Top of Cement: S	urface	Method Determined	: Circulated
			Intermediate	Casing	
		Hole Size: 12 1/4"		Casing Size: 9 5/8	<u>" @ 4,500'</u>
		Cemented with: 1	570 Sx.	or	ft³
		Top of Cement: S	urface	Method Determined	: Circulated
•			Production	Casing	
		Hole Size: 8 3/4" 1 st Stage- Cement with: 2 nd Stage	770 sx.	Casing Size: 7" @ 9 DV Tool @ 6,720' or	0,500°
		Top of Cement: 3,000'			
		Total Depth: 9,500'	PBTD: 9	9,450'	
		· <u>I</u> I	njection Inter	<u>val</u>	

Perforated Interval -7,176'-9,150' (Proposed)

INJECTION WELL DATA SHEET

Tubin	g Size: 4 1/2"	Lining Material:	Duo Lined (Extruded Thermoplastic)
-	of Packer: Model A Lockset Inject		
Packe	r Setting Depth: 7,076' or within	100' of the uppermost injury	ection perforations
Other	Type of Tubing/Casing Seal (if applicable):	None	
	Ac	lditional Data	
1.	Is this a new well drilled for injection:	Yes	No
	If no, for what purpose was the well originally	drilled:	
2.	Name of the Injection Formation:	Volfcamp/Cisco	
3.	Name of Field or Pool (if applicable):N	I/A	
4.	Has the well ever been perforated in any other i.e. sacks of cement or plug(s) used.	zone(s)? List all such per	forated intervals and give plugging detail,
	None		
5.	Give the name and depths of any oil or gas zon in this area:	nes underlying or overlyin	g the proposed injection zone
	East Empire Yates-Seven Rivers Pool (2,050"); Red Lake Queen-Grayb	urg-San Andres Pool (3,700'); Artesia Glorieta-
	Yeso Pool (4,200'); Empire-Abo Pool (6,200	'); Empire-Penn Gas Pool	(10,600');

Apache Corporation Proposed Wellbore Configuration Geronimo 28 State SWD No. 2 API No. 30-015-40876 2135' FSL & 690' FEL (Unit I) Section 28, T-17 South, R-28 East, NMPM 17 1/2" Hole; Set 13 3/8" 48# H-40 Csg @ 488' Cemented w/950 Sx. Cement circulated to surface. TOC @ 3,000 12 1/4" Hole; Set 9 5/8" 40# J-55 Csg @ 4,500' Cemented w/1570 Sx. Cement circulated to surface. DV Tool @ 6,720' 4 1/2" Duo-Lined Injection Tubing set in a Model A Lockset Packer @ 7,076' Formation Tops: Wolfcamp: 7,130' Cisco: 8,449' Proposed Wolfcamp/Cisco Perforations: 7,176'-9,150' (Selected Intervals) 8 3/4" Hole; Set 7" 26# HCL-80 Csg. @ 9,500' Stage Cement: 1st-770 Sx. 2nd-470 Sx. DV Tool @ 6,720'

TOC @ 3,000'

PBTD: 9,450' TD: 9,500'

Form C-108

Application to Amend Order No. SWD-1378-A Apache Corporation

Geronimo 28 State SWD No. 2

Section 28, T-17 South, R-28 East, NMPM,

Eddy County, New Mexico

Geologic Data

Wolfcamp Formation:

Depth:

7,130'

Thickness:

1,319

Lithology:

Interbedded Limestones & Dolomites with some Shales & Chert

Perforated Interval:

7,176'-8,448' (Approximately)

Cisco Formation:

Depth:

8,449

Thickness:

1009'

Lithology:

Interbedded Limestone & Shales

Perforated Interval:

8,450'-9,150' (Approximately)

APACHE CORPORATION FORM C-108: APPLICATION TO AMEND ORDER NO. SWD-1378-A GERONIMO 28 STATE SWD NO. 2 - UPDATED AOR WELL LISTING

API NUMBER	OPERATOR	LEASE	WELL	WELL	STATUS	FTG.	N/S F	TG.	E/W	UNIT	SEC.	TSHP.	RNG.	DATE	TOTAL	HOLE	CSG.	SET	SX.	CMT.	MTD.	HOLE	CSG.	SET	SX.	CMT.	MTD.	COMPLETION	REMARKS
		NAME	NO.	TYPE		N/S	E	EM						DRILLED	DEPTH	SIZE	SIZE	AT	CMT.	TOP		SIZE	SIZE	AT	CMT.	TOP		The second of the	
								-										-			-		-						
0-015-31829	Apache Corporation	Geronimo 28	1	SWD	Active	1500'	S 1	800'	E	J	28	178	28E	Jul-01	10,488	17 1/2"	13 3/8"	450'	430	Surface	Circ.	12 1/4"	9 5/8"	2,700'	955	Surface	Circ.	8,088'-8,286' Perf.	Cisco SWD Completion
		State Com							7													7 7/8"	5 1/2"	10,488'	1,285	2,240' *	CBL	10,178'-10,205' Perf.	Morrow Perfs Abandoned, PBTD: 8,415
5 1/2" casing st	age cemented. 1st Stage-67	75 sx. 2nd Stage-610	sx. D\	/ Tool @	5,486'.	Plugba	ck Data	a: Ga	auge l	Ring +	35' o	cemer	nt @ 9,5	20'; Gauç	ge Ring +	35' of ce	ment @	3,450'											
					4 -17	40001		0001	-	0	00	470	005	F-1- 00	40.005	47 4/08	40.0408	4001	000	0.1	0	140 4/48	0.5101	0.000	700	0.1	01-	10 110 10 10 10 10	N- Completion
		Oxy Sparky Fed	1	P	Active	1830'	N 1	980	E	G	28	178	28E	Feb-02	10,305'					Surface				2,330'	763		Circ.	10,116'-10,134' Perf.	Morrow Completion
			1	P	Active	1830'	N 11	980'	E	G	28	178	28E	Feb-02	10,305	17 1/2" 8 3/4"								2,330' 8,363'-10,300'			Circ.	10,116'-10,134' Perf.	Morrow Completion
	Oxy USA WTP Ltd. Part.		1 2	P	Active		1								10,305'	8 3/4"	7*	8,700	1525	Surface	Circ.	6 1/4"	4 1/2"			8,660'		10,116'-10,134' Perf. 7,066'-7,206' Perf.	Morrow Completion Wolfcamp Completion

CIBP @ 9,450' + 35' cmt. Cisco Perfs: 8,599'-8,620'; CIBP @ 8,550' + 35' cmt. Wolfcamp Perfs: 7,473'-7,587'; CIBP @ 7,450' + 35' cmt. Wolfcamp Perfs: 7,287'-7,358'; CIBP @ 7,250' + 35' cmt.

Form C-108:

Application to Amend Order No. SWD-1378-A
Affirmative Statement
Apache Corporation
Geronimo 28 State SWD No. 2
Section 28, T-17 South, R-28 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

5/22/13 Date

CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: OFFSET LEASEHOLD OWNERS/OPERATORS/SURFACE OWNER

Re: Apache Corporation

Form C-108: Application to Amend Order No. SWD-1378-A

Geronimo 28 State SWD No. 2

API No. 30-015-40876

2135' FSL & 690' FEL, Unit I, Section 28, T-17S, R-28E, NMPM,

Eddy County, New Mexico

Ladies & Gentlemen:

By Order No. SWD-1378-A dated March 17, 2013 Apache Corporation ("Apache") was authorized to utilize its Geronimo 28 State SWD No. 2 as a produced water disposal well, injection to occur into the Devonian formation through the base of the Ellenburger formation through perforations from 11,404 feet to 12,500 feet.

Apache has elected to change its plans and now proposes to complete the well as a produced water disposal well in the Wolfcamp/Cisco interval. Injection will occur into the perforated interval from approximately 7,176 feet to 9,150 feet.

Attached is a C-108 application being filed by Apache to Amend Order No. SWD-1378-A to authorize injection into the Wolfcamp/Cisco interval within the subject well. You are being provided a copy of the application as an offset leaseholder, offset operator or the surface owner of the land on which the well is located.

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,

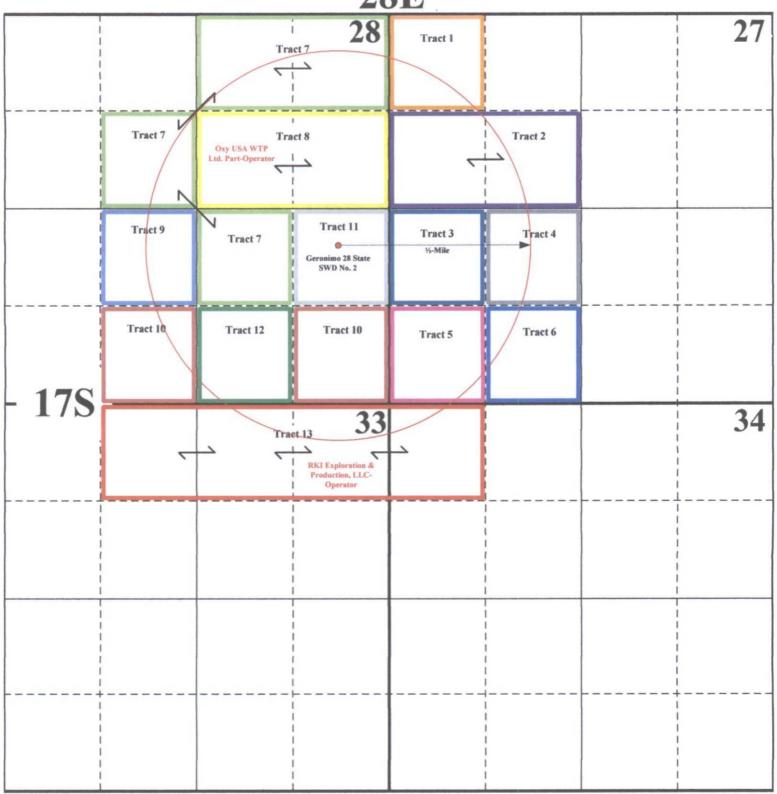
David Catanach-Agent Apache Corporation

303 Veterans Airpark Lane, Suite 3000

Midland, Texas 79705

Enclosure

28E



Apache Corporation
Form C-108: Application to Amend SWD-1378-A
Geronimo 28 State SWD No. 2
Offset Leasehold Owner Tract Identification

Offset Leasehold Owner Notification List (See Attached Map)

Tracts No. 1, 7 & 8

Leasehold Owners (All Depths below 3,500' Less & Except the Morrow Formation):

ConocoPhillips Company P.O. Box 7500 Bartlesville, Oklahoma 74005	RSE Partners I L.P. 3141 Hood Street, #350 Dallas, Texas 75219	Khody Land & Minerals Co. 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102
Marathon Oil Company	Yates Petroleum Corporation	John A Yates, MSU
P.O. Box 552	105 S. Fourth Street	207 S. Fourth Street
Midland, Texas 79702	Artesia, New Mexico 88210	Artesia, New Mexico 88210
Trust Q U/W/O Peggy A. Yates, deceased 207 South 4 th Street Artesia, NM 88210	Sharbro Energy, LLC P.O. Box 840 Artesia, New Mexico 88211-0840	Yates Industries, LLC P.O. Box 1091 Artesia, New Mexico 88211-1091
Spiral, Inc.	Santo Legado, LLP	Tulipan, LLC
P.O. Box 1933	P.O. Box 1020	P.O. Box 1020
Roswell, New Mexico 88202-1933	Artesia, New Mexico 88211-1020	Artesia, New Mexico 88211-1020

Marigold, LLLP P.O. Box 1290 Artesia, NM 88211-1290

Tract No. 2

Leasehold Owner (All depths below 4,000'):

OXY USA WTP, Ltd. Partnership P.O. Box 50250 Midland, TX 79710

Tract No. 3

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

Khody Land & Minerals Company 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102

Offset Leasehold Owner Notification List (Page 2)

Tract No. 4

Leasehold Owner: (All depths)

Marigold LLLP

rates retroteum corporation	John A Taics, Misc	Marigora, DDD1
105 S. Fourth Street	207 S. Fourth Street	P.O. Box 1290
Artesia, New Mexico 88210	Artesia, New Mexico 88210	Artesia, New Mexico 88211-1290
Trust Q U/W/O Peggy A. Yates, deceased	Sharbro Energy, LLC P.O. Box 840	Yates Industries, LLC P.O. Box 1091
207 South 4 th Street Artesia, NM 88210	Artesia, New Mexico 88211-0840	Artesia, New Mexico 88211-1091
Spiral, Inc.	Santo Legado, LLP	Tulipan, LLC
P.O. Box 1933	P.O. Box 1020	P.O. Box 1020 .
Roswell, NM 88202-1933	Artesia, New Mexico 88211-1020	Artesia, New Mexico 88211-1020

John A Vates MSU

Tract No. 5

Leasehold Owners (All depths below the base of the Abo Formation):

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

Vates Petroleum Cornoration

Tracts No. 6 & 9

Leasehold Owner (All depths below the base of the Yeso Formation):

ConocoPhillips Company	Chisos Ltd.	Roca Exploration, Ltd.
P.O. Box 7500	670 Donna Ana Road	P.O. Box 1981
Bartlesville, Oklahoma 74005	Deming, New Mexico 88030	Midland, Texas 79702

Tract No. 10

Leasehold Owners: (All depths):

ConocoPhillips Company	Chisos Ltd.	Roca Exploration, Ltd.
P.O. Box 7500	670 Donna Ana Road	P.O. Box 1981
Bartlesville, Oklahoma 74005	Deming, New Mexico 88030	Midland, Texas 79702

Offset Leasehold Owner Notification List (Page 3)

Tract No. 11

Leasehold Owners (All depths below 3,500'):

Oxy USA WTP, Ltd. Partnership P.O. Box 50250 Midland, Texas 79710 McCombs Energy, LLC 5599 San Felipe, Suite 1200 Houston, Texas 77056-2794

Tract No. 12

Leasehold Owners (From the Base of the Abo formation to 10,438'):

Yates Petroleum Corporation 105 S. Fourth Street Artesia, New Mexico 88210 Khody Land & Minerals Company 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102 COG Operating, LLC Concho Oil & Gas, LLC 600 W. Illinois Ave., One Concho Center Midland, Texas 79701

Tract No. 13

Leasehold Owners (All depths):

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

Surface Owner

Commissioner of Public Lands P.O. Box 1148 Santa Fe, New Mexico 87504-1148

Additional Notice

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

Offset Operators: (Wells That Penetrate Injection Interval)(Page 4)

Tract 8/Unit G, Section 28, T-17S, R-28E

OXY USA WTP, Ltd. Partnership P.O. Box 50250 Midland, TX 79710

Tract 13/Unit A, Section 33, T-17S, R-28E

RKI Exploration & Production, LLC 3817 NW Expressway Suite 950 Oklahoma City, Oklahoma 73112 Form C-108: Application to Amend SWD-1378-A
Apache Corporation
Geronimo 28 State SWD No. 2
Section 28, T-17 South, R-28 East, NMPM,
Eddy County, New Mexico

The following-described legal notice will be published May 23, 2013 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.

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 to amend Division Order No. SWD-1378-A, which order authorized Apache to utilize its Geronimo 28 State SWD No. 2 (API No. 30-015-40876) located 2135 feet from the South line and 690 feet from the East line (Unit I) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, as a produced water disposal well, injection authorized into the Devonian/Ellenberger formations through the perforated interval from 11,404 feet to 12,500 feet. Apache has elected to change its plans regarding the proposed injection zone and now seeks authorization to complete the well as a produced water disposal well in the Wolfcamp/Cisco interval through perforations from approximately 7,176 feet to 9,150 feet.

Produced water from the Glorieta & Yeso formations originating from Apache Corporation operated wells in this area will be injected into the Geronimo 28 State SWD No. 2 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 1,435 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.

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oll Conservation Division



Administrative Order SWD-1378-A March 17, 2013

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, Apache Corp. seeks an administrative order to utilize its proposed Geronimo 28 State SWD Well No. 2 (API 30-015-40876) to be located 2135 feet from the South line and 690 feet from the East line, Unit letter I of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, Apache Corp., is hereby authorized to utilize its proposed Geronimo 28 State SWD Well No. 2 (API 30-015-40876) to be located 2135 feet from the South line and 690 feet from the East line, Unit letter I of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, for disposal of oil field: produced water (UIC Class II only) into formations from the Devonian through the base of the Ellenburger through perforations from approximately 11404 feet to 12500 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

The operator shall supply the Division with a copy of a mudlog over the permitted disposal interval. If significant hydrocarbon shows occur while drilling, the operator shall receive permission in writing from the Division prior to commencing disposal.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and

equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than 2281 psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

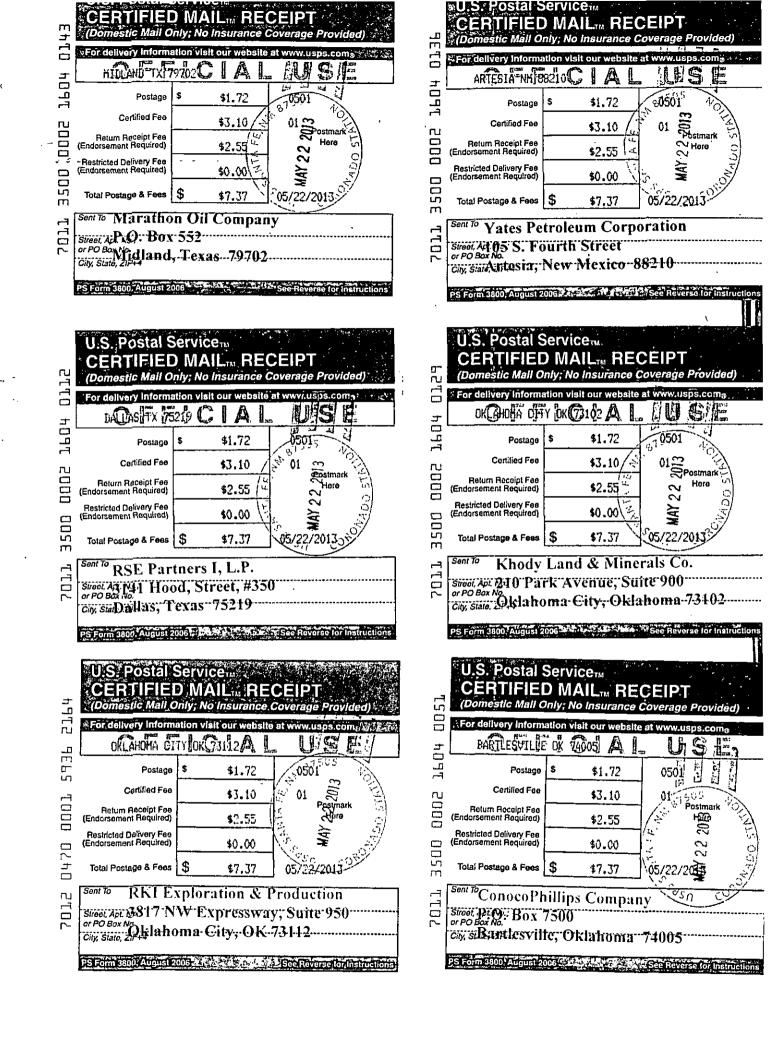
Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

JAMI BAILEY

Director

JB/wvjj

cc: Oil Conservation Division – Artesia District Office State Land Office – Oil, Gas, and Minerals Division



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