

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



December 17, 2014

Apache Corporation
Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7212
Administrative Application Reference No. pMAM1434937301

Apache Corporation
OGRID 873
North East Drinkard Unit Well No. 186
API No. 30-025-42244

Proposed Location:

<u>Footages</u>	<u>Unit/lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
900 FNL & 125 FWL	4	2	21S	37E	Lea

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 NW/4 of Section 2	37.42	Eunice; Bli-Tu-Dr, North	22900

Reference is made to your application received on December 15, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

An unorthodox location is necessary to avoid surface issues (road and steel pipeline), and recover additional reserves.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

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Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on December 17, 2014.



 Jami Bailey
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals