

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-Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] TYPE OF APPLICATION - Check Those Which Apply for [A]
[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

- [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

- [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

- [4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

KELLAMIN & KELLAMIN

Attorneys At Law

P.O. Box 2265

Santa Fe, NM 87504-2265

Date

8/4/05

2005 AUG 4 PM 1 02

KELLAHIN & KELLAHIN
Attorney at Law

W. Thomas Kellahin
Recognized Specialist in the Area of
Natural Resources-oil and gas law-
New Mexico Board of Legal Specialization

P.O. Box 2265
Santa Fe, New Mexico 87504
117 North Guadalupe
Santa Fe, New Mexico 87501

Telephone 505-982-4285
Facsimile 505-982-2047
kellahin@earthlink.net

August 4, 2005

HAND DELIVERED

Mr. Michael E. Stogner, P.E.
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

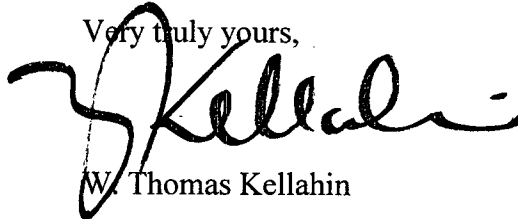
Re: Administrative Application of Apache Corporation
for approval of an unorthodox oil well location
and simultaneous dedication, Lea County, New Mexico

Wellbore: State Land "15" Well No. 11
Location: 330 feet FSL and 1330 feet FWL (Unit N)
Section 16, T21S, R37E

Dear Mr. Stogner:

On behalf of Apache Corporation, please find enclosed our referenced administrative application.

Very truly yours,



W. Thomas Kellahin

cc: Apache Corporation
Attn: Bob Curtis

2005 AUG 4 PM 1 02

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE ADMINISTRATIVE APPLICATION
OF APACHE CORPORATION FOR TWO UNORTHODOX OIL
WELL LOCATION AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.**

ADMINISTRATIVE APPLICATION

APACHE CORPORATION ("Apache") by its attorneys, Kellahin & Kellahin, seeks an order authorizing the drilling and production of its: State Land "15" Well No. 11 at an unorthodox oil well location 330 feet FSL and 1330 feet FWL (Unit N) Section 16, T21S, R237E, Lea County New Mexico:

(1) Apache seeks exceptions to:

- (a) the Special Rules and Regulations of the Blinebry Oil and Gas Pool, as promulgated by Division Order R-8170-P;
- (b) the Special Rules and Regulations of the Tubb Oil and Gas Pool, as promulgated by Division Order R-8170, as amended;
- (c) Division Rule 104.B (1), revised by Division Order R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 11, 1992

(2) for production from the following pools:

- (a) Blinebry Oil and Gas Pool (6660)
- (b) Tubb Oil and Gas Pool (60240)
- (c) Drinkard Pool (19190)
- (d) Wantz-Abo Pool (62700)

(3) This 40-acre oil spacing and proration unit is currently dedicated to:

John H. Hendrix Corporation's
State Land "15" Well No. 2 (API # 30-025-06631)
660 feet FSL & 1980 Feet FWL (Unit N)
Completion in the Blinebry, Drinkard, and Grayburg
Currently only Grayburg production reported since 11/2/04.
Blinebry production ceased 12/03

(4) Apache requests authority to simultaneously dedication the subject wellbore with the appropriate existing wellbore listed in paragraph 3 above.

(5) In support of this application, Apache submitted the following:

- (a) C-102 for the State Land "15" Well No. 11 attached as Exhibit 1-A
- (b) A written report prepared by Bob Curtis, a geologist with Apache, attached as Exhibit 1-B for the State Land "15" Well No. 11;
- (c) Exhibit 2--Locator map
- (d) Exhibit 3--Blinebry Gas Cap display
- (e) Exhibit 4--Blinebry Oil Leg display
- (g) Exhibit 5--Tubb display
- (h) Exhibit 6--Drinkard display

JUSTIFICATION

(6) Approval of the proposed unorthodox oil well location should enable Apache to further develop and deplete the Blinebry, Tubb, Drinkard and Abo intervals within this State of New Mexico oil & gas lease that might not otherwise be recovered.

NOTIFICATION AND WAIVERS

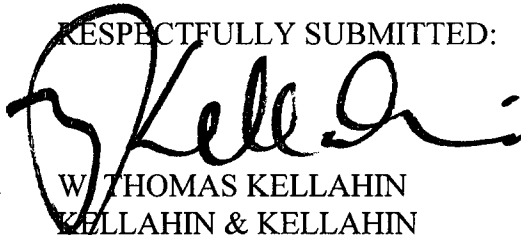
(7) The subject 40-acre spacing unit and the offsetting 40-acre spacing units towards which this wellbore encroached are within a common single State of New Mexico oil & gas lease (B-8105-3, dated April 10, 1939)

(8) Because all working interest and revenue interest owners are common with the same percentages in the S/2 of Section 16 no further notice is required. See OCD Rule 1207.A (2)

(9) Apache has negotiated a voluntary agreement with Hendrix the operator of the well State 15-1 originally operated by Mid-Continent (Unit N) towards which the subject well encroaches that provides that Apache will drill and complete this well and then turn it over to Hendrix to produce. **See Exhibit 1-C at page 5**

WHEREFORE, Apache, as applicant, requests that the Division enter its order approving these requested unorthodox well location and simultaneous dedication.

RESPECTFULLY SUBMITTED:



W. THOMAS KELLAHIN
KELLAHIN & KELLAHIN

P. O. Box 2265
Santa Fe, New Mexico 87504
Telephone: (505) 982-4285
Fax: (505) 982-2047
e-mail kellahin@earhtlink.net

EXHIBIT 1

DISTRICT I

1025 N. PUEBLO DR., BOHLEN, NM 88240

DISTRICT II

1201 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

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-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code		Pool Name	
Property Code		Property Name STATE LAND 16			Well Number 11
OGRID No.		Operator Name APACHE CORPORATION			Elevation 3454'

Surface Location

UL or lot No.	Section	Township	Range	Lot 100	Feet from the	North/South line	Feet from the	East/West line	County
N	16	21-S	37-E		330	SOUTH	1330	WEST	LEA

Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot 100	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

				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature _____ Printed Name _____ Title _____ Date _____	
				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey conducted by me or under my supervision and that the same is true and correct to the best of my belief.	
GEODETIC COORDINATES NAD 27 NME Y=537539.0 N X=858213.2 E LAT.=32°28'20.81" N LONG.=103°10'18.57" W				Date Surveyed 2641 Signature & Seal of Professional Surveyor Gary Edson 7/5/05 05.11.0980 Certificate No. GARY EDSON 12841	

EXHIBIT

1-A

Application of Apache Corporation for administrative
approval of an unorthodox well location:

40 acres – 330' FSL & 1330' FWL
Section 16, Township 21 South, Range 37 East, NMPM
Lea County, New Mexico

PRIMARY OBJECTIVES: Blinebry, Tubb, and Drinkard

SECONDARY OBJECTIVE: Abo

In support:

1. Apache Corporation (Apache) is the operator of the proposed **State Land 15 #11** well (**Exhibit 1**).
2. The proposed unorthodox location is offset by the following wells which are, or have been productive from various reservoirs which will be penetrated. (**Exhibit 2**)

OPER	WELL	LOC	RESERVOIR	CUM O/G/W	DAILY O/G/W	POOL
John H Hendrix	State Land 15 #2	16-N	BLBY	60/1863/37	0/0/0	Blinebry Oil and Gas
John H Hendrix	State Land 15 #2	16-N	DRKD	181/1575/16	0/0/0	Drinkard
John H Hendrix	State Land 15 #2	16-N	GRBG	1/19/13	10/166/113	Penrose Skelly Grayburg
John H Hendrix	State Land 15 #1	16-M	DRKD	223/1527/68	0/0/0	Drinkard
John H Hendrix	State Land 15 #1	16-M	BLBY	64/1071/38	0/0/0	Blinebry Oil and Gas
John H Hendrix	State Land 15 #1	16-M	GRBG	30/405/12	4/72/56	Penrose Skelly Grayburg
John H Hendrix	Weatherly 21 #5	21-C	GRBG	2/14/4	6/35/12	Penrose Skelly Grayburg
Stephens & Johnson	Weatherly #3	21-C	BLBY	74/4327/38	5/109/3	Blinebry Oil and Gas
Stephens & Johnson	Weatherly #3	21-C	DRKD	173/1770/4	0/8/0	Drinkard
Stephens & Johnson	Weatherly #2	21-D	BLBY	21/633/23	1/36/3	Blinebry Oil and Gas
Stephens & Johnson	Weatherly #2	21-D	DRKD	187/667/6	0/8/0	Drinkard
Stephens & Johnson	Weatherly #2	21-D	GRBG	27/267/17	0/0/0	Penrose Skelly Grayburg

EXHIBIT

1-B

MBO
MMCFG
MBW

BOPD
MCFGPD
BWPD

3. The proposed **State Land 15 #11** unorthodox location of 330' from south line and 1330' from west line is predicated by geological, location, and drainage considerations:

a. Geology

The Blinebry, Tubb, and Drinkard Formations are members of the Yeso Group, Permian Leonardian in age. Fluid contacts, specifically Blinebry GOC at -2255 and Drinkard OWC at -3225, employed by Shell in the unitization hearing for the NorthEast Drinkard Unit, just to the east, have been used here. Production from the three reservoirs is assigned to individual Blinebry Oil and Gas, Tubb Oil and Gas, and Drinkard Pools but downhole commingling is pre-approved pending submission of allocations to the Hobbs District Office.

All three formations are shallow marine carbonates, consisting primarily of dolomite. The Tubb has appreciable clastic content and the Drinkard becomes limey toward its base. Anhydrite can occur throughout the interval. Pay zones are thin, erratically distributed, and separated by thick impermeable intervals. Porosity and permeability are low. Wells are not generally capable of draining a full 40 Acre Spacing Unit. In fact, Apache's calculations indicate drainage area usually approximates 20 Acres.

Structure is significant in that it controls the fluid distribution and amount of pay above and below the Blinebry gas-oil contact and above the Drinkard oil-water contact.

Apache approached its evaluation by mapping log derived SoPhiH for each of four major reservoirs: Blinebry Gas Cap, Blinebry Oil Leg, Tubb, and Drinkard. This analysis required modern neutron-density and resistivity logs for any well to be used. Many wells thus had to be excluded from analysis because of the vintage of downhole logs or lack of a full logging suite. Sufficient new well control exists near the proposed location to feel comfortable with this interpretation.

1. Blinebry Gas Cap (Exhibit 3)

Thickness of the Blinebry Gas Cap is partially related to the subsea top of the Blinebry. The higher the top, the thicker the gas cap can be. Using a 5% threshold, porosity averages 9.8% and water saturation averages 29.5% in 138 nearby wells selected for analysis. SoPhiH at this location is expected to be 2.1'.

2. Blinebry Oil Leg (Exhibit 4)

Thickness of the Blinebry Oil Leg is partially related to the subsea top of the Blinebry, the higher the top, the thinner the oil leg might be. Using a 5% threshold, porosity averages 8.5% and water saturation averages 31.6% in 171 nearby wells selected for analysis. SoPhiH at this location is expected to be 4.1'.

3. Tubb (Exhibit 5)

The Tubb is generally considered to be a gas reservoir, although no gas-oil or gas-water contact has been suggested and oil completions are common. None of the offsetting wells has ever produced from the Tubb.

Using a 5% porosity threshold and a 50 APIU Gamma Ray threshold because of the greater amount of clastic material, porosity averages 8.0% and water saturation averages 31.1% in 208 nearby wells selected for analysis. SoPhiH at this location is expected to be 3.8'.

4. Drinkard (Exhibit 6)

The thickness of the Drinkard pay is also related to its subsea position, the higher the top, the thicker the interval can be. Using a 5% threshold, porosity averages 9.1% and water saturation averages 25.6% in 191 nearby wells selected for analysis. SoPhiH at this location is expected to be 10.8'.

5. Abo

The Abo is immediately sub adjacent to the Drinkard. This location is included in Wantz; Abo Pool. It is a secondary objective that will cost less than \$50,000 to drill and complete in this wellbore but it cannot be drilled as a primary target. None of the offsetting wells has produced or even penetrated the Abo.

6. Uphole Reservoirs

If potentially commercial reservoirs are encountered in the Grayburg, San Andres, or Paddock a separate wellbore will be proposed to exploit those reservoirs.

b. Location

Apache's intent was to place the well equidistant from the productive Blinebry, Tubb, and Drinkard wells in S/2SW/4, §16 to encounter an undrained reservoir volume.

c. Drainage

The proposed **State 15 #11** is approximately equidistant from the productive Blinebry, Tubb, and Drinkard wells in S/2SW/4, §16 and should encounter an undrained reservoir volume.

Reservoir engineering used the SoPhiH maps to estimate drainage of each offsetting well in each reservoir. Recoverable reserves for this location are calculated as the volume under a 20 A radius (less if the direct offsets were not capable of draining 20 A) with reduced reservoir pressure where drainage has occurred. Drainage offsetting this location is as follows:

SEC	LEASE NAME	WELL	PROD ZONE NAME	EUR			DRAINED ACRES
				OIL	WATER	GAS	
16	STATE LAND 15	2	BLINEBRY GAS CAP	18270	18554	1827	96
16	STATE LAND 15	1	BLINEBRY GAS CAP	6700	18774	670	43
21	WEATHERLY	3	BLINEBRY GAS CAP	43600	18755	4360	210
21	WEATHERLY	2	BLINEBRY GAS CAP	5190	11404	519	30
16	STATE LAND 15	2	BLINEBRY OIL LEG	52690	18554	365	15
16	STATE LAND 15	1	BLINEBRY OIL LEG	68271	18774	440	26
21	WAETHERLY	3	BLINEBRY OIL LEG	48521	18755	332	13
21	WEATHERLY	2	BLINEBRY OIL LEG	15382	11404	114	5
16	STATE LAND 15	2	TUBB				
16	STATE LAND 15	1	TUBB				
21	WEATHERLY	3	TUBB				
21	WEATHERLY	2	TUBB				
16	STATE LAND 15	2	DRINKARD	180687	16287	1575	22
16	STATE LAND 15	1	DRINKARD	231076	68180	2075	31
21	WEATHERLY	3	DRINKARD	173489	3616	1770	19
21	WEATHERLY	2	DRINKARD	186808	5598	668	25

Volumetrics for the proposed location are as follows:

		PROD ZONE NAME	RESERVOIR	DRAINAGE	EUR	
			PRESSURE	ACRES	OIL (BO)	GAS (BCFG)
State Land 15	11	BLINEBRY GAS CAP	500	0	0	0
		BLINEBRY OIL LEG	1700	14	24401	293
		TUBB	2500	20	5880	588
		DRINKARD	1500	20	103298	1033
		TOTAL			133,579	1,914

4. Notice

John H Hendrix Corporation operate the Blinebry, Tubb, Drinkard, and Abo wells toward which the proposed well will encroach. They have been notified at:

John H Hendrix Corporation
110 N Marenfeld
Suite 400
Midland, TX 79701

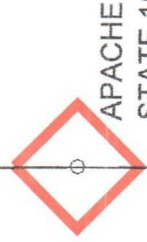
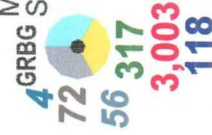
Apache Corporation has negotiated a farmout arrangement with Hendrix whereby it will drill and complete, then turn the well over to Hendrix for production. All four reservoirs are contained within one oil and gas lease (State Land 15, which includes the entire S/2, §16) with common working and revenue interest owners.

- 5.** Approval of this application will afford the interest owners in this spacing unit an opportunity to recover oil and gas which would not otherwise be recovered and to do so without violating correlative rights.

new Hendrix

GRBG MID-CONTINENT
STATE 15 1

GRBG HENDRIX
STATE 15 2



APACHE
STATE 15 11

HENDRIX
WEATHERLY 21 5
GRBG



TRINITY DRILLING
WEATHERLY 2
BLBY & DRKD



STEPHENS & JOHNSON
WEATHERLY 3
BLBY & DRKD



WELL SYMBOLS

- Location Only
- Oil Well
- ☀ Gas Well
- ☀ Dry

POSTED WELL DATA

PRODUCING FORMATION
CURRENT BOPD
CURRENT MCFD
CURRENT BWPD
 OPERATOR WELL LABEL
MBO
MMCFG
MBW



TWO WARREN PLACE, SUITE 1500
6120 SOUTH YALE
TULSA, OKLAHOMA 74136-4224

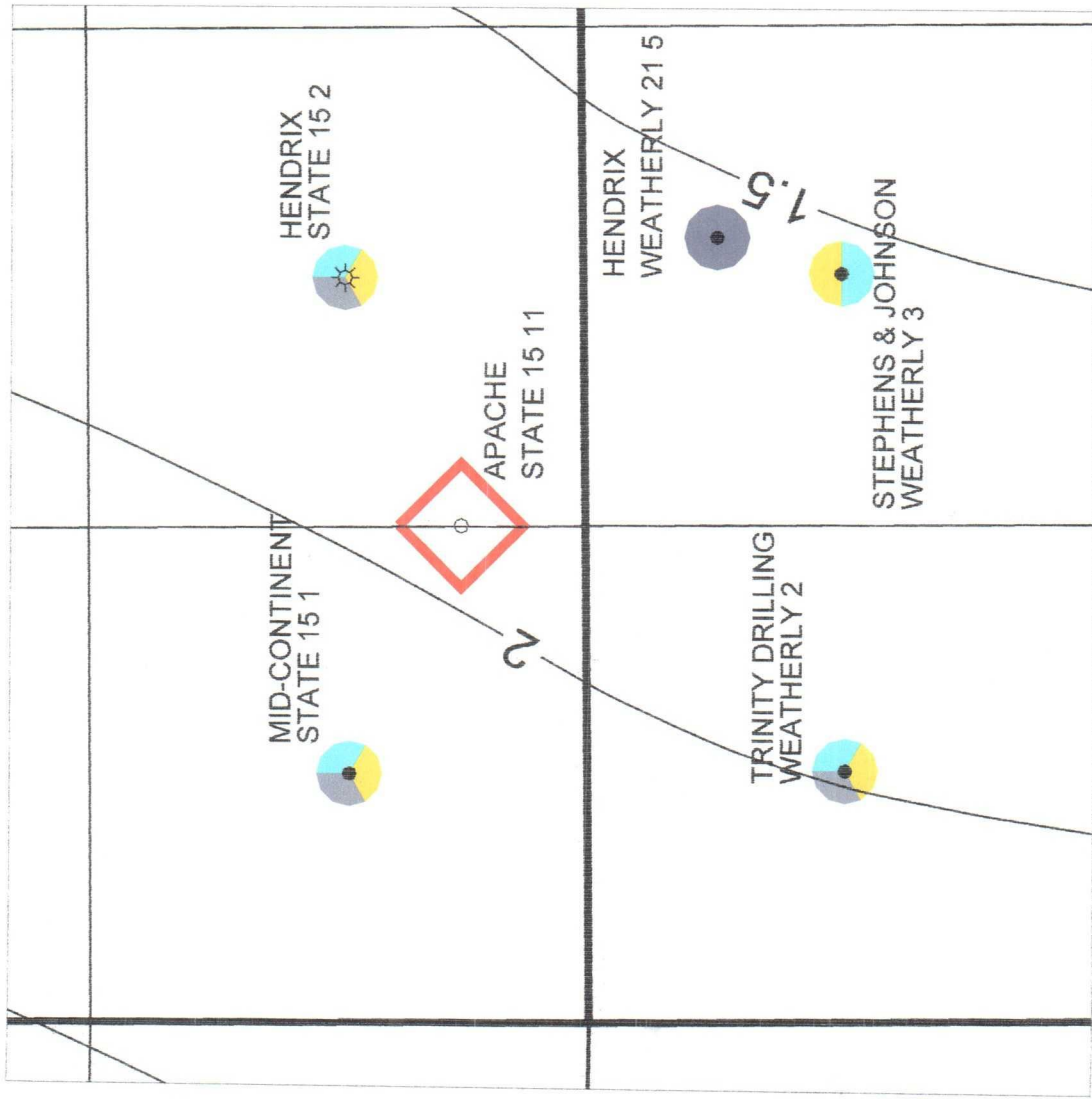
STATE 15 11

SEC 16-T21S-R37E
LEA COUNTY, NEW MEXICO

EXHIBIT 2
WELL INFORMATION

- YATES-SEVEN RIVERS-QUEEN
- GRAYBURG
- SAN ANDRES
- PADDOCK
- BLINEBRY
- TUBB
- DRINKARD
- ABO
- FUSSELMAN





- YATES-SEVEN RIVERS-QUEEN
- GRAYBURG
- SAN ANDRES
- PADDOCK
- BLINEBRY
- TUBB
- DRINKARD
- ABO
- FUSSELMAN



GAMMA RAY LTE 40 APIU
XPHI GTE 5%
SW LTE 50%

WELL SYMBOLS

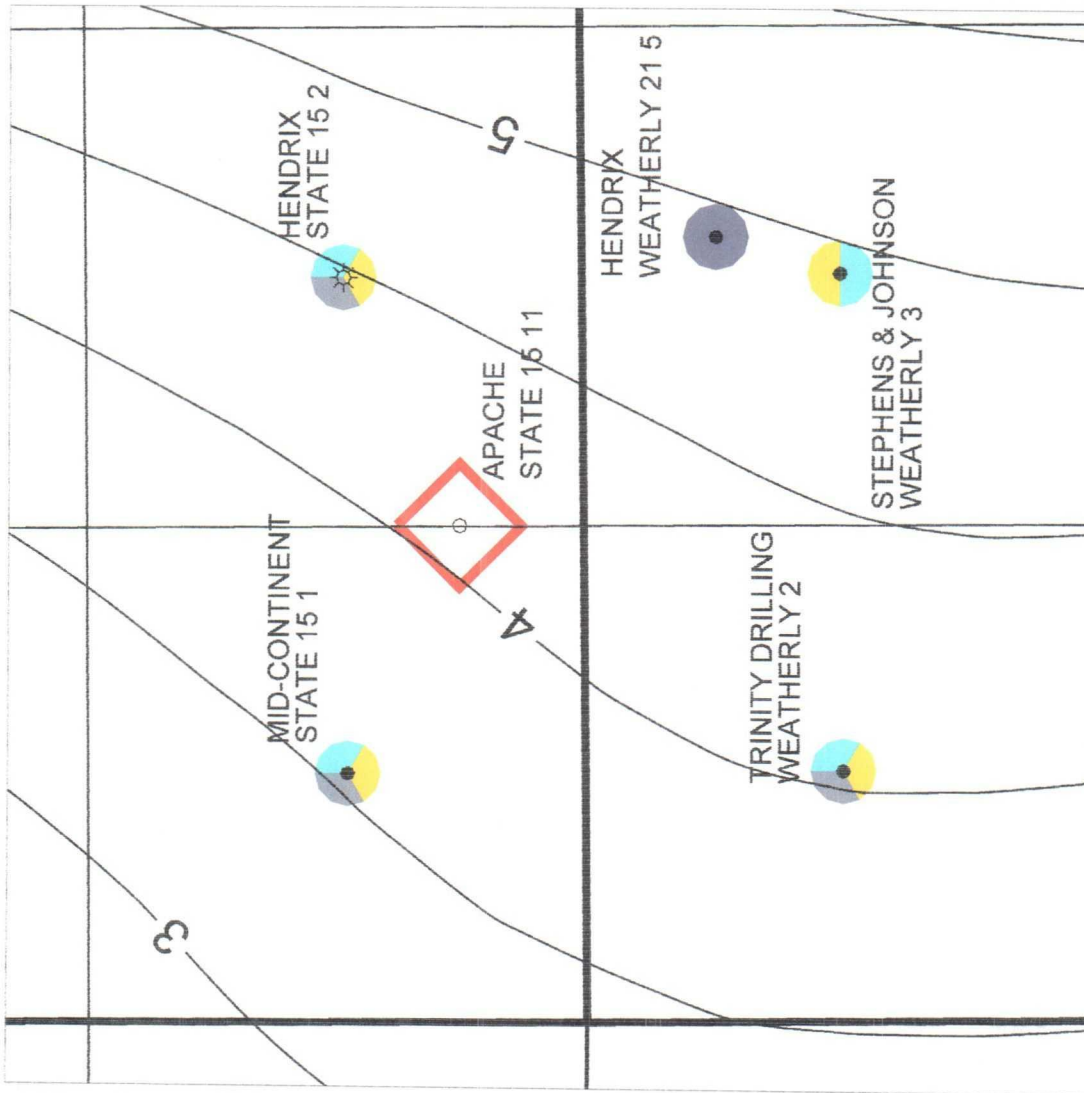
- Location Only
- Oil Well
- Gas Well
- Dry

POSTED WELL DATA

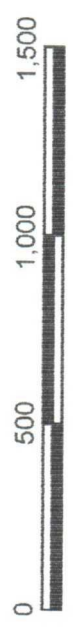
BLBY GAS CAP SOPHIH ● OPERATOR WELL LABEL

TWO WARREN PLACE, SUITE 1500
6120 SOUTH YALE
TULSA, OKLAHOMA 74136-4224

STATE 15 11	
SEC 16-T21S-R37E	
LEA COUNTY, NEW MEXICO	
EXHIBIT 3	
BLBY GAS CAP SOPHIH	
DATE: 6/30/05	DWG: CURTIS/OCD-NM2005/STATE 15 11/EX 3



- YATES-SEVEN RIVERS-QUEEN
- GRAYBURG
- SAN ANDRES
- PADDOCK
- BLINEBRY
- TUBB
- DRINKARD
- ABO
- FUSSELMAN



GAMMA RAY LTE 40 APIU
 XPHI GTE 5%
 SW LTE 50%

- WELL SYMBOLS
- Location Only
 - Oil Well
 - Gas Well
 - Dry

POSTED WELL DATA

BLBY OIL LEG SOPHIH • OPERATOR WELL LABEL

TWO WARREN PLACE, SUITE 1500
 6120 SOUTH YALE
 TULSA, OKLAHOMA 74136-4224

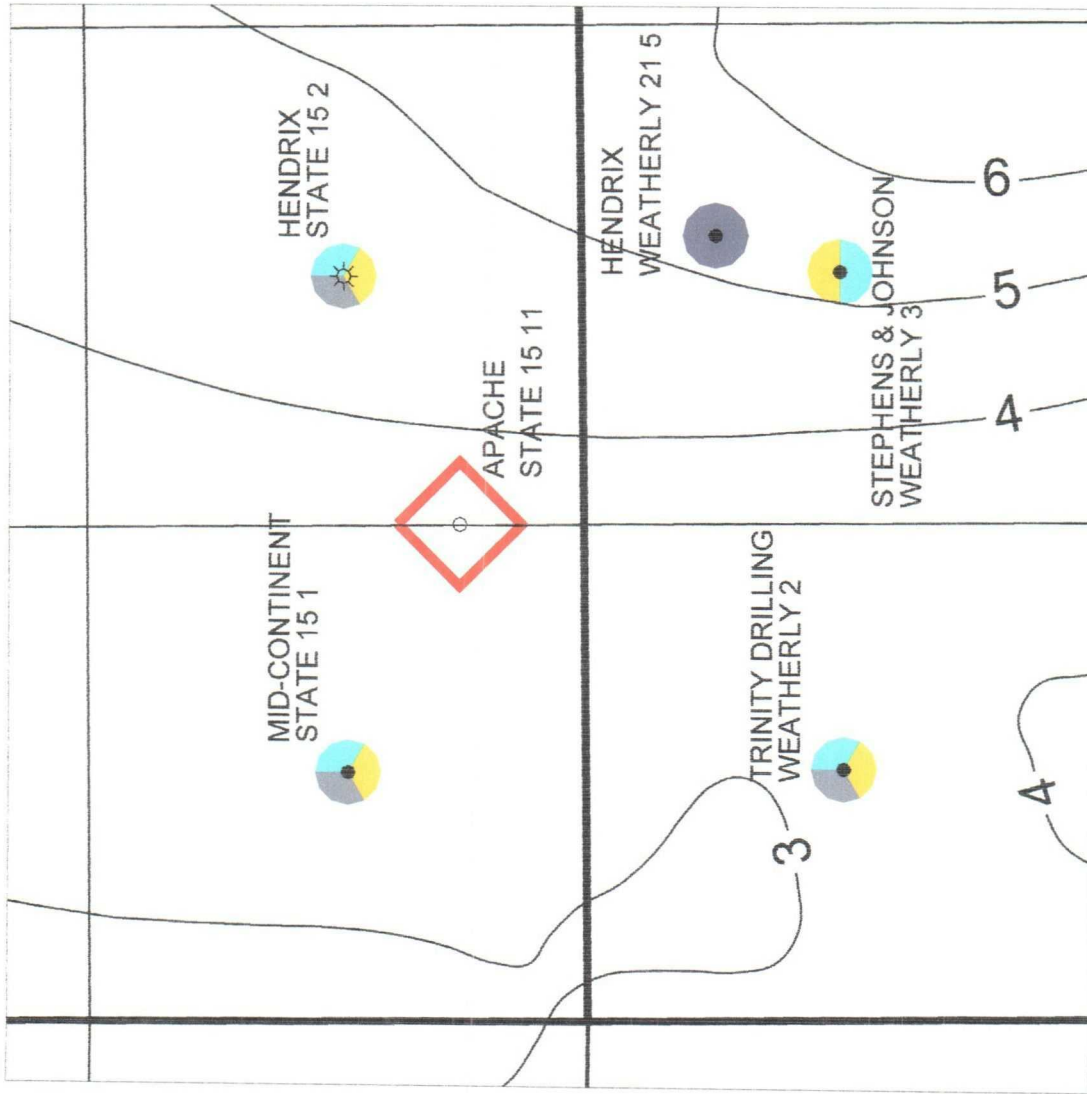
STATE 15 11

SEC 16-T21S-R37E
 LEA COUNTY, NEW MEXICO

EXHIBIT 4

BLBY OIL LEG SOPHIH

DATE: 6/30/05 DWG: CURTIS(OCD-NM)2005(STATE 15 11)EX 4



- YATES-SEVEN RIVERS-QUEEN
- GRAYBURG
- SAN ANDRES
- PADDOCK
- BLINEBRY
- TUBB
- DRINKARD
- ABO
- FUSSELMAN



GAMMA RAY LTE 50 APIU
XPHI GTE 5%
SW LTE 50%

WELL SYMBOLS

- Location Only
- Oil Well
- Gas Well
- Dry

POSTED WELL DATA

TUBB
SOPHIH • OPERATOR
WELL LABEL



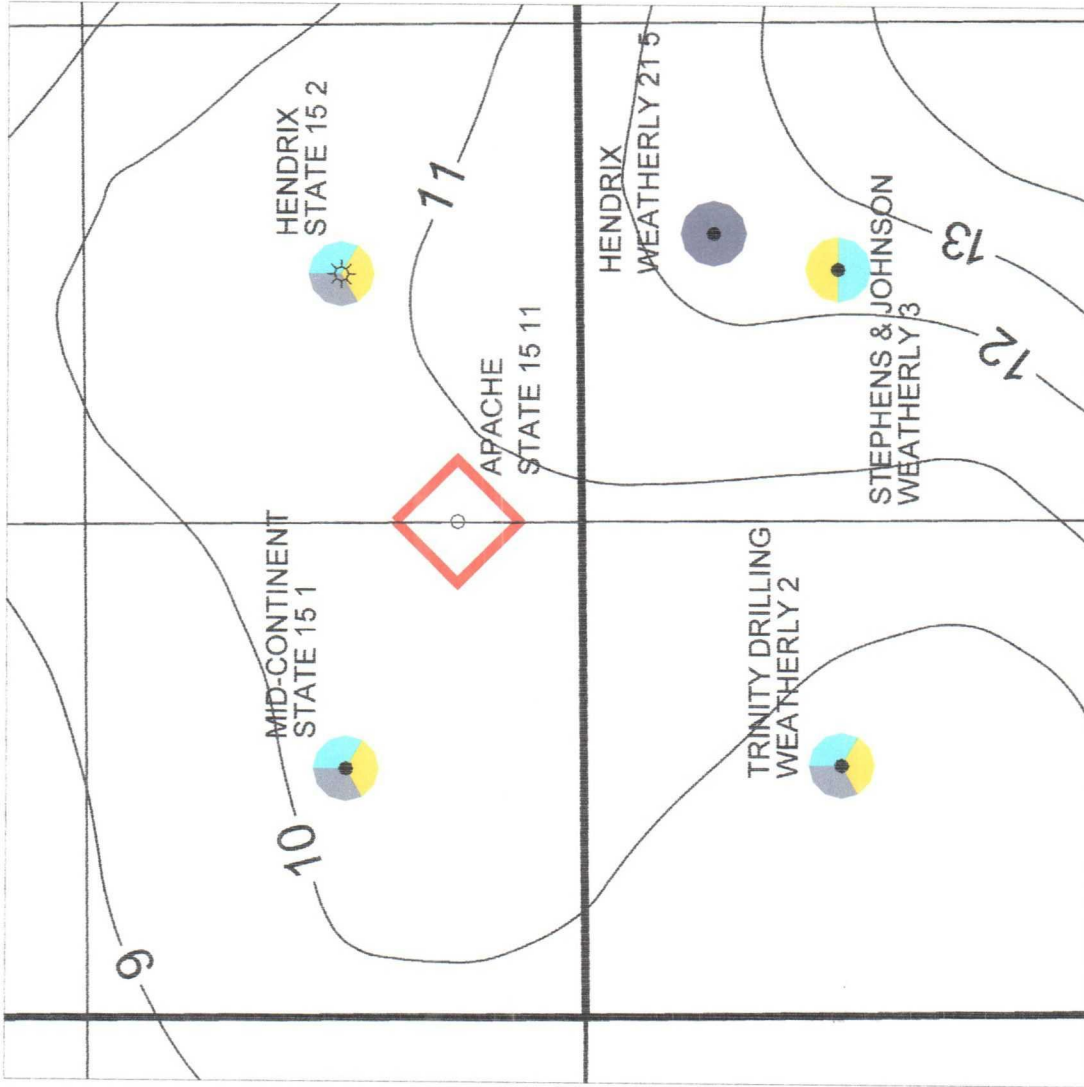
TWO WARREN PLACE, SUITE 1500
6120 SOUTH YALE
TULSA, OKLAHOMA 74136-4224

STATE 15 11

SEC 16-T21S-R37E
LEA COUNTY, NEW MEXICO

EXHIBIT 5

TUBB SOPHIH



- YATES-SEVEN RIVERS-QUEEN
- GRAYBURG
- SAN ANDRES
- PADDOCK
- BLINEBRY
- TUBB
- DRINKARD
- ABO
- FUSSELMAN



GAMMA RAY LTE 40 APIU
 XPHI GTE 5%
 SW LTE 50%

WELL SYMBOLS

- Location Only
- Oil Well
- Gas Well
- Dry

POSTED WELL DATA

DRKD
SOPHIH • OPERATOR
 WELL LABEL

Apache CORPORATION CENTRAL REGION	TWO WARREN PLACE, SUITE 1500 6120 SOUTH YALE TULSA, OKLAHOMA 74136-4224
STATE 15 11	
SEC 16-T21S-R37E LEA COUNTY, NEW MEXICO	
EXHIBIT 6	
DRKD SOPHIH	
DATE: 6/30/05	DWG: CURTIS\OCD-NM\2005\STATE 15 11\EX 6

Stogner, Michael, EMNRD

From: Thomas Kellahin [kellahin@earthlink.net] **Sent:** Wed 9/14/2005 9:59 AM
To: Stogner, Michael, EMNRD
Cc: Steffanie Hayes
Subject: Fw: Status of NSL's- Section 16-21S-37E, Lea County, NM
Attachments:

Mike:

Apache has request a status report for the following:

On August 4, 2005, I filed two NSL administrative cases for three wellbores as follows:

- (1) State Land "15" Well No. 9 and Well No. 10, both in the same 40-acre tract being Unit O of Sec 16, T21S, R37E and
- (2) State Land "15" Well No. 11 in Unit N of Section 16, T21S, R37E

Thanks, Tom

----- Original Message -----

From: Hayes, Steffanie
To: kellahin@earthlink.net
Sent: Wednesday, September 14, 2005 8:17 AM
Subject: Status of NSL's- Section 16-21S-37E, Lea County, NM

Tom,

Good Morning. As you will recall, Apache has filed for three NSL's in the referenced Section (State Land 15 #9, #10 and #11). Have you heard anything from the OCD on these applications? We plan on spudding these wells in October, so we need the approval as quickly as possible.

Thank you,

Steffanie L. Hayes

Phone: 918-491-4815

Fax: 918-491-4854

steffanie.hayes@usa.apachecorp.com

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/16/05 09:55:20
OGOMES -TQMT
PAGE NO: 1

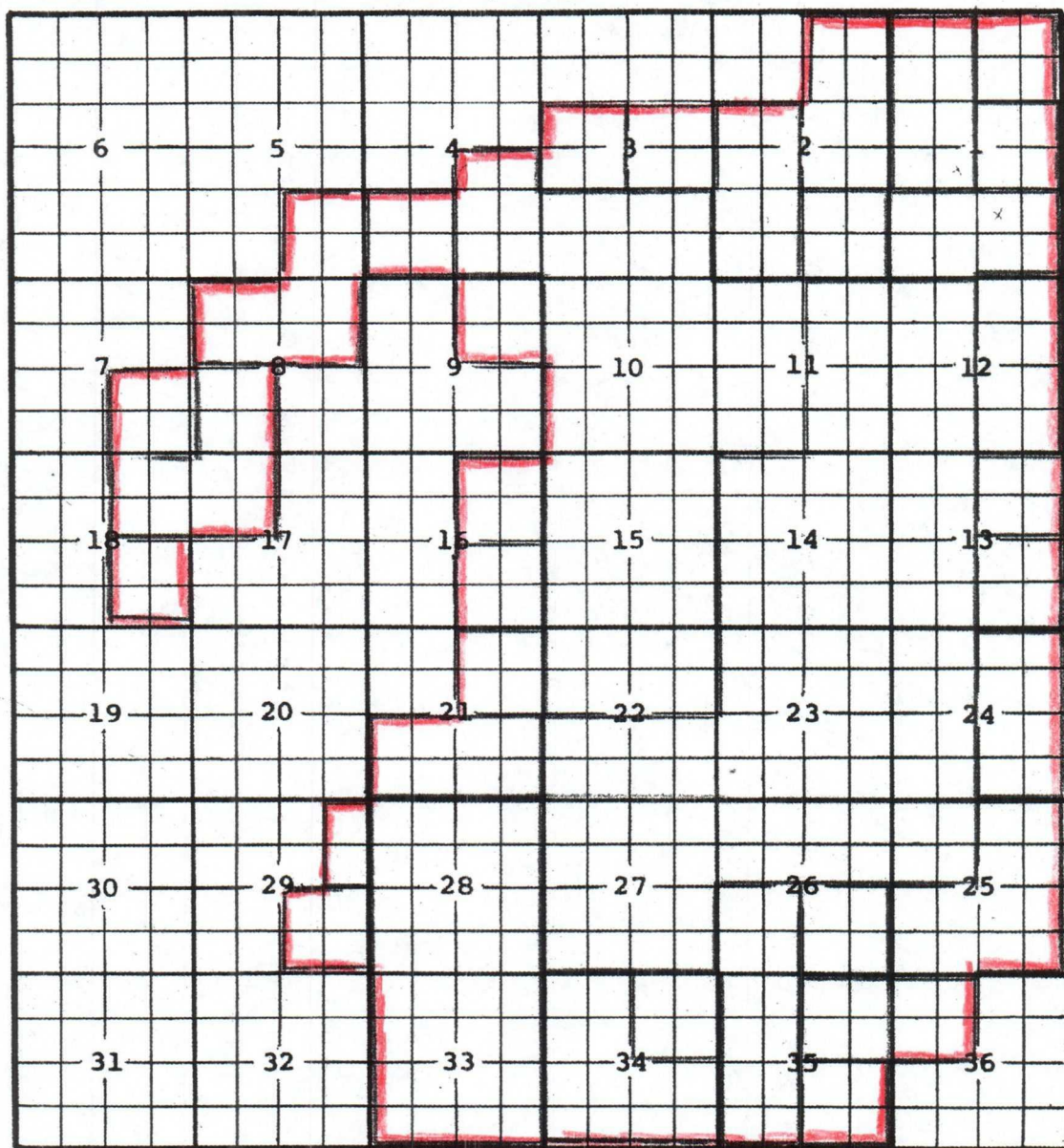
Sec : 16 Twp : 21S Rng : 37E Section Type : NORMAL

D 40.00 CS B01557 0002 APACHE CORP C 12/29/38 A A A A	C 40.00 CS B01557 0002 APACHE CORP C 12/29/38 A A A A A A	B 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A	A 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A A
E 40.00 CS B01557 0002 APACHE CORP C 12/29/38 A A A A	F 40.00 CS B01557 0002 APACHE CORP 12/29/38 A A A	G 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A	H 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A A A
L 40.00 CS B00085 0016 APACHE CORPORATIO C 07/28/38 A A A	K 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A A	J 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A A A	I 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A
M 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A	N 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A	O 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A	P 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A

POOL Wantz-Abo

RANGE 37 East

NMPM



Ext: All Sec. 28 & 33 (R-167, 6-19-52) - $\frac{E}{2}$ Sec. 11; $\frac{W}{2}$ Sec. 12; $\frac{W}{2}$ Sec. 13; All Sec. 14;
 $\frac{S}{2}$ Sec. 22; All Sec. 23; $\frac{NW}{2}$ Sec. 24; $\frac{NW}{4}$ Sec. 25; $\frac{N}{2}$ Sec. 26; All Sec. 27 (R-236, 12-24-52)
- $\frac{S}{2}$ Sec. 3; Lots 15, 16, & $\frac{SE}{4}$ Sec. 4; All Sec. 10; $\frac{W}{2}$ Sec. 11; All Sec. 15; $\frac{N}{4}$ Sec. 22;
 $\frac{E}{2}$ Sec. 24 (R-511, 7-21-54) - Lots 11, 12, 13, 14 & $\frac{SW}{4}$ Sec. 2 (R-842, 7-9-56)
- $\frac{NE}{4}$ Sec. 21 (R-1355, 4-1-59) - $\frac{NE}{4}$ Sec. 13 (R-1509, 11-1-59) - $\frac{SE}{4}$ Sec. 2 (R-2062, 10-1-61)
- $\frac{E}{2}$ $\frac{NE}{4}$ Sec. 29 (R-1981, 6-1-61) - $\frac{SE}{4}$ Sec. 16 (R-2410, 2-1-63) - $\frac{SW}{4}$ Sec. 16; $\frac{W}{2}$ Sec. 35 (R-2485, 6-1-63)
- $\frac{NE}{4}$ Sec. 35; $\frac{NW}{4}$ Sec. 36 (R-3139, 11-1-66) - $\frac{SE}{4}$ Sec. 26 (R-3182, 2-1-67)
- $\frac{SW}{4}$ Sec. 4 (R-3262, 7-1-67) - $\frac{S}{2}$ Sec. 1; $\frac{SE}{4}$ Sec. 13; $\frac{E}{2}$ & $\frac{SW}{4}$ Sec. 25 (R-3818, 9-1-69)
- Lots 3, 4, 5, 6, 11, 12, 13 & 14 Sec. 1; $\frac{E}{2}$ Sec. 12 (R-3932, 4-1-70) - $\frac{SE}{4}$ Sec. 35 (R-4351, 8-1-72)
- $\frac{NE}{4}$ Sec. 6 (R-4486, 3-1-73) Ext: $\frac{NE}{4}$ Sec. 34 (R-5911, 2-1-79)

Ext: ^{NE}4 Sec. 9 (A-6967, 5-6-82) Ext: ^{SE}4 Sec. 29 (R-7131, 11-30-82)

Ext: Lots 11, 12, 13, and 14 Sec. 3 (R-7607, 7-27-84) Ext: Lots 1, 2, 7, 8, 9, 10, 15, and 16 (R-8075, 11-8-85)