

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

David R. Catanach, Division Director
Oil Conservation Division



August 24, 2015

Apache Corporation
Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL-7345
Administrative Application Reference No. pMAM1523158118

Apache Corporation
OGRID 873
Lee Federal Well No. 53
API No. 30-015-43197

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1550` FSL & 1180` FWL	L	20	17S	31E	Eddy
Top perforation	1606` FSL & 1387` FWL	K	20	17S	31E	Eddy
Bottom perforation	1639.8` FSL & 1601` FWL	K	20	17S	31E	Eddy
Terminus	1640.8` FSL & 1620.7` FWL	K	20	17S	31E	Eddy

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NE/4 SW/4 of Section 20	40	Cedar Lake; Glorieta-Yeso	96831

Reference is made to your application received on August 19, 2015.

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 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location due to geology of the formation.

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

Pursuant to the authority conferred by Division Rule 9.15.15.13 (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 August 24, 2015.



DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Artesia
Bureau of Land Management – Carlsbad