ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -



		1220 South St. Francis Drive, Sar	ita re, NM 87505	APACHE		
		ADMINISTRATIVE APP	LICATION CHECK	LIST Lea (O.		
	lication Acronyms [NSL-Non-Star [DHC-Down [PC-Pool	ndard Location] [NSP-Non-Standard hole Commingling] [CTB-Lease C ol Commingling] [OLS - Off-Lease	Proration Unit] [SD-Simultar ommingling] [PLC-Pool/Lea Storage] [OLM-Off-Lease M C-Pressure Maintenance Expa PI-Injection Pressure Increase	neous Dedication] ase Commingling] Measurement] ansion]		
[1]	_	PLICATION - Check Those Which Location - Spacing Unit - Simultane NSL NSP SD	Apply for [A] CC	otter Lynch #4		
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurem DHC CTB PLC		LM		
	[C]	Injection - Disposal - Pressure Incre WFX PMX SWD		PR		
	[D]	Other: Specify		-		
[2]	NOTIFICATI [A]	ION REQUIRED TO: - Check Thos Working, Royalty or Overridin	11 -	DHC-1021		
	[B]	☐ Offset Operators, Leaseholders	or Surface Owner			
	[C]	Application is One Which Req	uires 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]	_				
	[F]	Waivers are Attached				
[3]		CURATE AND COMPLETE INFO	RMATION REQUIRED TO	PROCESS THE TYPE		
	oval is accurate a	FION: I hereby certify that the informed complete to the best of my knowled quired information and notifications a	edge. I also understand that no			
	Note:	Statement must be completed by an individ	ual with managerial and/or supervi	sory capacity.		
Micl	helle Hanson	Howard.	Landman	11/25/09		
Print	or Type Name	Signature	Title	Date		
			Michelle hanson@a	anachecorn com		

e-mail Address

Well File Search - Select API Number to View

Please select the API Number you wish to view from the list below by clicking the radio button next to the API Number. Then click the "Continue" button to see the thumbnails for the API you selected. The search results are broken out by groups of 25 on each page. Switching pages can be done by clicking the "Next 25" or "Previous 25" links.

29 Records Found

Displaying Screen 2 of 2

[14 4]

API Number ULSTR Footages 3002537512 C -1-22S-37E 660 FNL & 1815 FWL 1980 FNL & 810 FWL Jraybyg TA
1830 FNL & 1980 FWL Julen TA Well Name & Number: WALTER LYNCH No. 010 Operator: MARATHON OIL CO 3002537555 E-1-22S-37E Well Name & Number: WALTER LYNCH No. 011 Operator: APACHE CORP F -1-22S-37E 3002537556 Well Name & Number: WALTER LYNCH No. 012 Operator: APACHE CORP D -1-22S-37E 3002539550 990 FNL & 990 FWL Well Name & Number: WALTER LYNCH No. 010 Operator: APACHE CORP

29 Records Found

Displaying Screen 2 of 2

[14 4

,6660 \$12480

Applicant requests that all wells be granted 40 acre spacing in the Blinebry Oil and Gas Pool, whether for oil or gas. This will eliminate overlapping well units for oil and gas wells, and will facilitate further development of the Walter Lynch Lease. In addition, further GOR changes in the wells will not require a reclassification and well unit change. If granted, the following well units will be in effect for the Blinebry Oil and Gas Pool:

	Walter Lynch 4	Walter Lynch 6	Walter Lynch 8
	(NW%NW%)	(SE1/4NW1/4)	<u>(SW¼NW¼)</u>
Blinebry	40 acres (oil)	40 acres (oil)	40 acres (gas)

Applicant further requests authorization to simultaneously dedicate Tubb Oil and Gas (Pro Gas) production from both Well No. 4 and Well No. 6 to a standard 160 acre gas well unit comprising the NW% of Section 1. 30-0.25.375/2

Applicant plans to drill and complete the Walter Lynch Well No. 10, located at an orthodox location, being 990' FNL and 1650' FWL of Section 1, in the Blinebry, Tubb, Drinkard, Abo and Granite Wash formations. As a result, Applicant seeks administrative approval to simultaneously dedicate Well No. 10 to the 160 acre Tubb gas well unit.

A land plat with a listing of the operators of all quarter sections offsetting the NW¼ of Section 1 is marked **Exhibit B**. Notice was given to all operators by the letter attached as **Exhibit C**.

Interest ownership within the NW¼ of Section 1 is common, so no one in the quarter section has been notified of this application.

Please call me if you need any further information on this matter.

Sincerely,

APACHE CORPORATION

Michelle Hanson

Landman

(918) 491-4838 direct

(918) 491-4854 fax

Michelle.hanson@apachecorp.com

whelle Hanon

Well File Search - Select API Number to View

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	Displaying Screen 1 of 2	[• • [
API Number	ULSTR	Footages	
3002509936	P -1-22S-37E	660 FSL & 660 FEL	
Well Name & Num	ber: ALICE PADDOCK No. 003		
Operator: CHEVR	ON USA INC		
3002509937	N -1-22S-37E	669 FSL & 1986 FWL	
Well Name & Num	ber: ANNIE CHRISTMAS No. 001		
Operator: JOHN F	HENDRIX CORP		
3002509938	O -1-22S-37E	660 FSL & 1980 FEL	
Well Name & Num	ber: ALICE PADDOCK No. 001		
Operator: CHEVR	ON-USA-INC		
3002509939	J -1-22S-37E	1980 FSL & 1980 FEL	
Well Name & Num	ber: ALICE PADDOCK No. 002		
Operator: CHEVR	ON USA INC		
3002509940	G -1-22S-37E	1980 FNL & 1980 FEL	
Well Name & Num	ber: ALICE PADDOCK No. 004		
Operator: CHEVR	ON USA INC		
3002509941	B -1-22S-37E	990 FNL & 2310 FEL	
Well Name & Num	ber: ALICE PADDOCK No. 005		
Operator: CHEVR	ON USA INC		
3002509942	K -1-22S-37E	1980 FSL & 1980 FWL	
Well Name & Num	ber: WALTER LYNCH No. 001		
Operator: JOHN H	HENDRIX CORP		
3002509943	L -1-22S-37E	1980 FSL & 660 FWL	
Well Name & Num	ber: WALTER LYNCH No. 002		•
Operator: JOHN F	LUENBBU/ COBB		
	1-HENDRIX-CORP		
3002509944	H.HENDRIX-CORP M -1-22S-37E	660 FSL & 660 FWL	
		660 FSL & 660 FWL	
Well Name & Num	M -1-22S-37E ber: WALTER LYNCH No. 003	660 FSL & 660 FWL	
Well Name & Numl	M -1-22S-37E ber: WALTER LYNCH No. 003	660 FSL & 660 FWL 2200 FSL & 440 FWL	
Well Name & Numl Operator: JOHN-H 3002509945	M -1-22S-37E ber: WALTER LYNCH No. 003 LHENDRIX_CORP	2200 FSL & 440 FWL	
Well Name & Numl Operator: JOHN-H 3002509945 Well Name & Numl	M -1-22S-37E ber: WALTER LYNCH No. 003 LHENDRIX.CORP L -1-22S-37E	2200 FSL & 440 FWL	
Well Name & Numl Operator: JOHN-H 3002509945 Well Name & Numl	M -1-22S-37E ber: WALTER LYNCH No. 003 H-HENDRIX-CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No	2200 FSL & 440 FWL	
Well Name & Numl Operator: JOHN 3002509945 Well Name & Numl Operator: LEGAC	M -1-22S-37E ber: WALTER LYNCH No. 003	2200 FSL & 440 FWL o. 004 1980 FNL & 1980 FWL	
Well Name & Numl Operator: JOHN H 3002509945 Well Name & Numl Operator: LEGAC 3002509946 Well Name & Numl	M -1-22S-37E ber: WALTER LYNCH No. 003 H-HENDRIX.CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No Y RESERVES OPERATING, LP F -1-22S-37E	2200 FSL & 440 FWL o. 004 1980 FNL & 1980 FWL	
Well Name & Numl Operator: JOHN L 3002509945 Well Name & Numl Operator: LEGAC 3002509946 Well Name & Numl	M -1-22S-37E ber: WALTER LYNCH No. 003 H-HENDRIX.CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No Y RESERVES OPERATING, LP F -1-22S-37E ber: PRE-ONGARD WELL No. 022	2200 FSL & 440 FWL o. 004 1980 FNL & 1980 FWL	
Well Name & Number Operator: JOHN 3002509945 Well Name & Number Operator: LEGAC 3002509946 Well Name & Number Operator: PRE-Off 3002509947	M -1-22S-37E ber: WALTER LYNCH No. 003 H-HENDRIX.CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No Y RESERVES OPERATING, LP F -1-22S-37E ber: PRE-ONGARD WELL No. 022	2200 FSL & 440 FWL b. 004 1980 FNL & 1980 FWL 1980 FNL & 660 FWL	
Well Name & Number Operator: JOHN 3002509945 Well Name & Number Operator: LEGAC 3002509946 Well Name & Number Operator: PRE-ON 3002509947 Well Name & Number Well Name	M -1-22S-37E ber: WALTER LYNCH No. 003 LHENDRIX.CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No. Y RESERVES OPERATING, LP F -1-22S-37E ber: PRE-ONGARD WELL No. 022 NGARD WELL OPERATOR E -1-22S-37E	2200 FSL & 440 FWL b. 004 1980 FNL & 1980 FWL 1980 FNL & 660 FWL	
Well Name & Number Operator: JOHN 3002509945 Well Name & Number Operator: LEGAC 3002509946 Well Name & Number Operator: PRE-ON 3002509947 Well Name & Number Well Name Well Nam	M -1-22S-37E ber: WALTER LYNCH No. 003 H-HENDRIX.CORP L -1-22S-37E ber: LYNCH CHRISTMAS COM No. 22S-37E F -1-22S-37E ber: PRE-ONGARD WELL No. 022 NGARD WELL OPERATOR E -1-22S-37E ber: PRE-ONGARD WELL No. 021	2200 FSL & 440 FWL b. 004 1980 FNL & 1980 FWL 1980 FNL & 660 FWL	

Page 2 of 2,

	Operator: PRE-ONGARD WELL OPERATOR		VI. 1.00			
	3002509949 D -1-22S-37E	660 FNL & 585 FWL				
	Well Name & Number: WALTER LYNCH No. 004		36.310 GOR 86,000			
	Operator: APACHE CORP	and the second s	419			
0	3002509950 C -1-22S-37E	660 FNL & 1980 FWL	antrie.			
	Well Name & Number: WALTER LYNCH No. 005		5100000			
	Operator: MARATHON-OIL-CO		3			
0	3002524815 O -1-22S-37E	660 FSL & 2230 FEL	N			
	Well Name & Number: ALICE PADDOCK No. 006		\$			
	Operator: CHEVRON USA INC		, N			
Ó	3002525045 B -1-22S-37E	750 FNL & 1210 FEL	$S_{\hat{\mathbf{z}}}$			
	Well Name & Number: ALICE PADDOCK No. 007		•			
	Operator: CHEVRON USA-INC		Bline lynn 20 000			
\bigcirc	3002525131 F -1-22S-37E	2310 FNL & 1980 FWL	Blinelery 24,000)			
-	Well Name & Number: WALTER LYNCH No. 006		For Bard -0 15 Tor -08-270			
	Operator: APACHE CORP		Dingella acc			
\bigcirc	3002525486 D -1-22S-37E	330 FNL & 660 FWL	Drunbard · alv Dranite Wash			
\	Well Name & Number: WALTER LYNCH No. 007		Dranite Wash			
	Operator: APACHE CORP					
\bigcirc	3002525522 M -1-22S-37E	330 FSL & 330 FWL				
	Well Name & Number: LYNCH CHRISTMAS COM No. 005					
	Operator: LEGACY RESERVES OPERATING, LP.					
\bigcirc	3002525644 E -1-22S-37E	1880 FNL & 760 FWL	Trunkers deo			
	Well Name & Number: WALTER LYNCH No. 008		Elinely Sas 82000			
	Operator: APACHE CORP		Want Was			
\bigcirc	3002526286 J -1-22S-37E	1980 FSL & 2250 FEL				
	Well Name & Number: ALICE PADDOCK No. 008					
	Operator: CHEVRON USA INC					
\bigcirc	3002527055 P -1-22S-37E	660 FSL & 330 FEL				
	Well Name & Number: ALICE PADDOCK No. 009					
	Operator: CHEVRON USA INC					
\bigcirc	3002529117 I -1-22S-37E	1980 FSL & 660 FEL				
	Well Name & Number: ALICE PADDOCK No. 010					
_	Operator: CHEVRON USA INC.					
Ó	3002537495 D -1-22S-37E	660 FNL & 810 FWL	AVI			
	Well Name & Number: WALTER LYNCH No. 009		しメー			
	Operator: MARATHON OIL CO					
29 R	ecords Found Displaying Screen 1 of	2 [▶ ▶1	1			

Continue Go Back



Central Region Land Department (918) 491-4900 (918) 491-4854 (FAX)

November 30, 2009

Mark E. Fesmire, P. E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Fesmire,

Apache Corporation respectfully requests administrative approval for simultaneous dedication in the Tubb Oil and Gas Pool and several non-standard 40 acre gas well units in the Blinebry Oil and Gas Pool. The following wells, located in the NW¼ of Section 1, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico (applicant's Walter Lynch Lease), are involved in this application:

30-025
09949 — Walter Lynch 4, located 660 feet FNL and 585 feet FWL
09949
09950 — Walter Lynch 5, located 660 feet FNL and 1980 feet FWL – Currently Inactive C
09950
Walter Lynch 6, located 2310 feet FNL and 1980 feet FWL
25131
25644 — Walter Lynch 8, located 1880 feet FNL and 760 feet FWL
25644

A plat of the Walter Lynch Lease, identifying the wells involved in this application, is attached as **Exhibit**A.

The above wells produce from the Blinebry and Tubb formations, among other formations.

Division Order No. R-8170, as amended, spacing in both the Blinebry Oil and Gas Pool and Tubb Oil and Gas Pool is 160 acres for gas wells, and 40 acres for oil wells. The rules provide for non-standard gas well units of less than 160 acres. A gas well in each pool is defined as a well producing at a GOR of 50,000:1 or greater. Acreage dedicated to a gas well shall not be simultaneously dedicated to an oil well.

The wells involved in this application, the quarter-quarter sections in which the wells are located, their acreage dedications and current gas/oil status and their approximate YTD GOR's in the Blinebry and Tubb formations, are as follows:

 Walter Lynch 4
 Walter Lynch 6
 Walter Lynch 8

 (NW½NW½)
 (SE½NW½)
 (SW½NW½)

 Blinebry
 40 acres (oil)
 40 acres (oil)
 160 acres (gas)

 48,000
 30,000
 279,000

From:

Brooks, David K., EMNRD

Sent:

Wednesday, December 23, 2009 10:31 AM

To:

'Hanson, Michelle'

Subject:

RE: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

Please file and NSL application with appropriate notices. In the meantime, I will write an order granting your request for NSPs in the Blinebery, and dismissing your application in the Tubb w/o prejudice. You can renew your SD application when you file the NSL applications. New notices on the renewed SD application will not be necessary.

Sincerely

David K. Brooks Legal Examiner 505-476-3450

From: Hanson, Michelle [mailto:Michelle.Hanson@apachecorp.com]

Sent: Wednesday, December 23, 2009 8:02 AM

To: Brooks, David K., EMNRD

Subject: RE: Walter Lynch wells; NSP-SD Applications

Hi David,

I cannot find an NSL for either the #4 or #6 wells for the Tubb Gas Pool. However, it looks like the 160-acre gas unit was approved back in 1954 for the #4 well and in 2005 for the #6 well, as to the Tubb Gas Pool. Would I need to submit a true NSL application or can I submit a request letter requesting retro-active approval?

Michelle Hanson

Landman

Apache Corporation

6120 S. Yale Ave., Suite 1500 Tulsa, OK 74136 (918) 491-4838 office (918) 491-4854 fax

michelle.hanson@apachecorp.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Tuesday, December 22, 2009 3:37 PM

To: Hanson, Michelle

Subject: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

You have requested simultaneous dedication of the Walter Lynch ## 4, 6 and 10 in the Tubb Gas Pool to a 160acre unit comprising the NW/4 1-22S-37E.

The #4 and #6 are at unorthodox locations for a 160-acre gas unit, because they are each less than 160 feet from unit boundaries.

Are there existing NSL orders approving these locations.	If not, you will need to submit NSL applications for
these wells.	

Sincerely

David K. Brooks

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From:

Brooks, David K., EMNRD

Sent:

Wednesday, December 23, 2009 10:49 AM

To:

'Hanson, Michelle'

Subject:

RE: Walter Lynch wells; NSP-SD Applications

Thanks.

I will go ahead and issue the order as I suggested earlier this morning, and await receipt of the NSL application to deal with the Tubb.

David Brooks

From: Hanson, Michelle [mailto:Michelle.Hanson@apachecorp.com]

Sent: Wednesday, December 23, 2009 10:45 AM

To: Brooks, David K., EMNRD

Subject: Re: Walter Lynch wells; NSP-SD Applications

David.

I think we will need to do the NSLs because there are no orders, just an NMOCD approved dedication plat. I'm not sure why the previous operators weren't asked to submit an NSL at the time they submitted a new dedication plat, but I couldn't see any specific NSL approval for either well.

Sent via Blackberry

Michelle Hanson Landman Apache Corporation 6120 S. Yale, Suite 1500 Tulsa, OK 74136 918.491.4838 918.491.4854 Fax Michelle.hanson@apachecorp.com

From: Brooks, David K., EMNRD <david.brooks@state.nm.us>

To: Hanson, Michelle

Sent: Wed Dec 23 11:40:48 2009

Subject: RE: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

I forgot to include in my last email a request for the order numbers for the unit approvals to which you refer in your email. Please advise me of the numbers so I can look at those orders. It is possible that language in those orders may change the course of action I indicated in my email earlier this morning.

Thanks

David K. Brooks

From: Hanson, Michelle [mailto:Michelle.Hanson@apachecorp.com]

Sent: Wednesday, December 23, 2009 8:02 AM

To: Brooks, David K., EMNRD

Subject: RE: Walter Lynch wells; NSP-SD Applications

Hi David.

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Michelle Hanson

Landman

Apache Corporation

6120 S. Yale Ave., Suite 1500 Tulsa, OK 74136 (918) 491-4838 office (918) 491-4854 fax michelle.hanson@apachecorp.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Tuesday, December 22, 2009 3:37 PM

To: Hanson, Michelle

Subject: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

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Are there existing NSL orders approving these locations. If not, you will need to submit NSL applications for these wells.

Sincerely

David K. Brooks

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From:

Brooks, David K., EMNRD

Sent:

Wednesday, December 23, 2009 10:41 AM

To:

'Hanson, Michelle'

Subject:

RE: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

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Thanks

David K. Brooks

From: Hanson, Michelle [mailto:Michelle.Hanson@apachecorp.com]

Sent: Wednesday, December 23, 2009 8:02 AM

To: Brooks, David K., EMNRD

Subject: RE: Walter Lynch wells; NSP-SD Applications

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Michelle Hanson

Landman

Apache Corporation

6120 S. Yale Ave., Suite 1500 Tulsa, OK 74136 (918) 491-4838 office (918) 491-4854 fax

michelle.hanson@apachecorp.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Tuesday, December 22, 2009 3:37 PM

To: Hanson, Michelle

Subject: Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

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Are there existing NSL orders approving these locations. If not, you will need to submit NSL applications for these wells.



David K. Brooks

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From:

Brooks, David K., EMNRD

Sent:

Tuesday, December 22, 2009 2:37 PM

To:

'Hanson, Michelle'

Subject:

Walter Lynch wells; NSP-SD Applications

Dear Ms. Hanson

You have requested simultaneous dedication of the Walter Lynch ## 4, 6 and 10 in the Tubb Gas Pool to a 160-acre unit comprising the NW/4 1-22S-37E.

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Are there existing NSL orders approving these locations. If not, you will need to submit NSL applications for these wells.

Sincerely

David K. Brooks

M.

From:

Hanson, Michelle [Michelle.Hanson@apachecorp.com]

Sent:

Monday, December 14, 2009 12:46 PM

To:

Brooks, David K., EMNRD

Subject: Attachments: RE: Walter Lynch Lease; NSP/SD Application Walter Lynch NSP & SD App Offset Owners.docx

Hi David,

Please see revised list of Offset Operators. Apache is one of the operators in Section 2-22S-37E, however, ExxonMobil is the offset owner I should have listed because they are the operator of the Blinebry, Tubb and Drinkard formations. Exxon was notified of Apache's request for administrative approval, via letter dated Nov. 30th, 2009. As to the other tract in which Apache operates (SE/4SW/4 & S/2SE/4 Sec 36-21S-37E), Apache owns 100% working interest.

Let me know if you need anything else.

Thank you,

Michelle Hanson
Landman
Apache Corporation
6120 S. Yale Ave., Suite 1500
Tulsa, OK 74136
(918) 491-4838 office
(918) 491-4854 fax
michelle hanson@apachecorp.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Monday, December 14, 2009 12:50 PM

To: Hanson, Michelle

Subject: Walter Lynch Lease; NSP/SD Application

Dear Ms. Hanson

The plat that you sent me on Dec. 8 shows Apache as the operator of the SE/4 SW/4 and S/2 SE/4 of Section 36, adjoining the referenced unit to the north and northwest.

Although the textual portion of the plat does not identify the operator of Section 2 to the west, it would seem Apache also operates that acreage.

For the tracts that Apache operates, if there are other working interest owners, notice is required to any working interest owner who owns a larger interest in the offsetting tract than in the tract that is the subject of the application. Are there any such owners? If so, have they been notified?

Sincerely

David K. Brooks Legal Examiner

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CIEVEOR CHEVEON CHESAPEAKE STATEQ SAP ACQ. HENDEIX LEGACY WALTER LYNCH Tals-R37E STATE 367 CHESAPEAKE NM STATE S λXO S

Walter Lynch NSP & SD Application

Township 22 South, Range 37 East, Lea County, New Mexico

Tracts adjoining the NW/4 of Section 1

T21S-R37E

Section 35: SE/4:

Oxy USA, Inc.

Section 36:

N/2SW/4, SW/4SW/4

and N/2SE/4: SE/4SW/4

Chesapeake Operating, Inc.

Apache Corporation

and S/2SE/4:

T22S-R37E

Section 1:

E/2:

SW/4:

W/2SW/4:

FEET

John H. Hendrix Corporation Chevron U.S.A., Inc.

Legacy Reserves Operating, L.P.

TAAS-R3TE

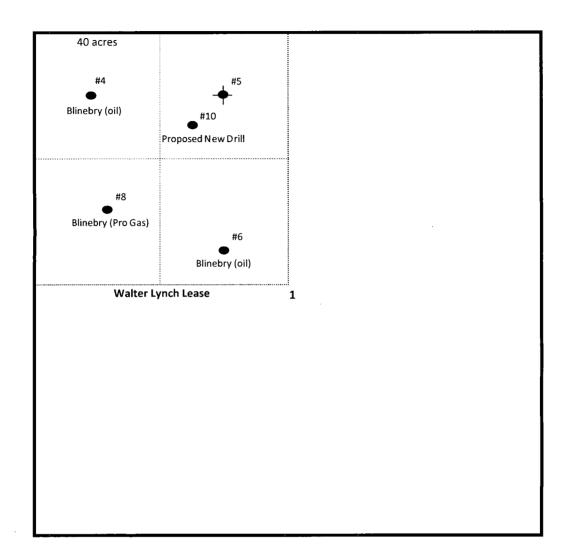


EXHIBIT A
Page 1 of 2



Walter Lynch Lease
'No. 4, 6 and 8

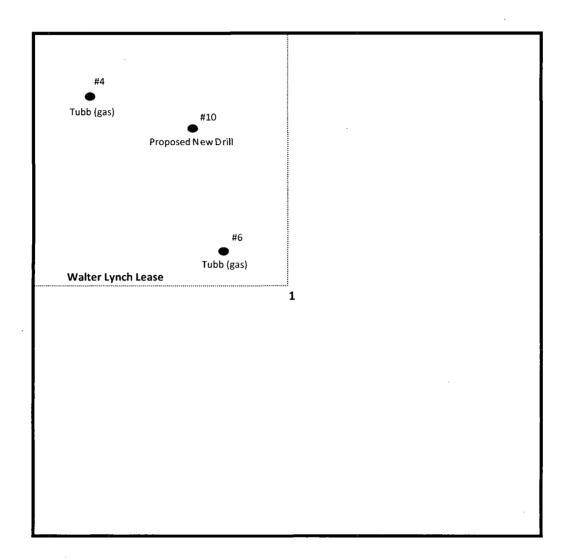
Non-Standard Proration Unit

Blinebry Oil & Gas Pool

Section 1-T22S-R37E

Lea County, New Mexico

Scale: 1" = 1000'



Corporation

EXHIBIT A
Page 2 of 2

Walter Lynch Lease
No. 4, 6 and 10
Simultaneous Dedication
Tubb Oil & Gas Pool
Section 1-T22S-R37E
Lea County, New Mexico
Scale: 1" = 1000'

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OFFSET OPERATORS

Chevron U.S.A., Inc. Attn: NOJV Group 1400 Smith Street Houston, TX 77002

ExxonMobil Coporation P.O. Box 4610 Houston, TX 77210

ConocoPhillips Company Attn: Land Department 600 N. Dairy Ashford Houston, TX 77079

John H. Hendrix Corporation 110 N. Marienfield, Suite 400 Midland, TX 79701-4400

Chesapeake Operating, Inc. P.O. Box 18496 Oklahoma City, Ok 73154-0496

Legacy Reserves Operating, L.P. 303 W. Wall Street, Suite 1400 Midland, TX 79701

Oxy USA, Inc. Attn: Robbie Abraham 5 Greenway Plaza, Suite 1100 Houston, TX 77046-0521

Cameron Oil and Gas Company, Inc. 300 W 2nd St Roswell, NM 88201

Jay Management Company, LLC 4801 Woodway Drive, Ste 100E Houston, TX 77056

Zachary Oil Operating Company 6300 Ridglea Place, Ste 605 Fort Worth, TX 76116

Exhibit C

ADD ATION

6120 S. YALE / SUITE 1500 / TULSA, OKLAHOMA 74136

Central Region Land Department (918) 491-4900 (918) 491-4854 (FAX)

November 30, 2009

OFFSET OPERATORS

RE:

Administrative approval for Non-Standard Gas Spacing Unit and Simultaneous Dedication Township 22 South, Range 37 East; Section 1: NW¼ (Walter Lynch Lease) Lea County, New Mexico

Offset Operators,

This is to inform you as an offset operator that Apache Corporation ("Apache") has applied for administrative approval for several non-standard 40 acre Blinebry oil and gas well units and simultaneous dedication of the Walter Lynch Well Nos. 4 and 6 in the Tubb Oil & Gas (Pro Gas) Pool.

Apache has requested non-standard 40 acre well units, whether for oil or gas, for the Blinebry Oil and Gas Pool in the Walter Lynch lease. Producing characteristics for several of the Walter Lynch lease wells have changed and said wells are now producing as oil wells. However, there is still one well on the Lease that is curently producing as a gas well. Changing the spacing for this Lease to 40 acres will eliminate overlapping well units for oil and gas wells.

Apache has further requested that the Tubb Oil and Gas production from the Walter Lynch Well No. 4 and Well No. 6 be simulataneously dedicated to a standard 160 acre gas well unit being the NW¼ of Section 1-T22S-R37E.

If you object to this application, you should file a written objection with the Oil Conservation Division's Santa Fe office within 20 days from the date of this letter. Otherwise, the application may be granted without further notice.

If you require additional information, please contact the undersigned at (918) 491-4838.

Sincerely,

APACHE CORPORATION

Michelle Hanson

Landman

(918) 491-4854 fax

Michelle.hanson@apachecorp.com

From:

Brooks, David K., EMNRD

Sent:

Monday, December 14, 2009 11:50 AM

To:

'Hanson, Michelle'

Subject:

Walter Lynch Lease; NSP/SD Application

Dear Ms. Hanson

The plat that you sent me on Dec. 8 shows Apache as the operator of the SE/4 SW/4 and S/2 SE/4 of Section 36, adjoining the referenced unit to the north and northwest.

Although the textual portion of the plat does not identify the operator of Section 2 to the west, it would seem Apache also operates that acreage.

For the tracts that Apache operates, if there are other working interest owners, notice is required to any working interest owner who owns a larger interest in the offsetting tract than in the tract that is the subject of the application. Are there any such owners? If so, have they been notified?

Sincerely

David K. Brooks Legal Examiner

From:

Hanson, Michelle [Michelle.Hanson@apachecorp.com]

Sent:

Tuesday, December 08, 2009 3:47 PM

To:

Brooks, David K., EMNRD

Subject: Attachments: FW: Walter Lynch; SD and NSP applications

Walter Lynch NSP & SD App Plat.pdf

Oops. Lapologize. I forgot the attachment.

Michelle Hanson

Landman

Apache Corporation

6120 S. Yale Ave., Suite 1500 Tulsa, OK 74136 (918) 491-4838 office (918) 491-4854 fax

michelle.hanson@apachecorp.com

From: Hanson, Michelle

Sent: Tuesday, December 08, 2009 3:42 PM

To: 'Brooks, David K., EMNRD'

Subject: Walter Lynch; SD and NSP applications

Hi David,

Attached is a list and plat depicting the Offset Owners to Apache Corporation's Walter Lynch Lease in the NW/4 Sec 1-22S-37E.

Please let me know if you have any questions.

Thanks,

Michelle Hanson

Landman

Apache Corporation

6120 S. Yale Ave., Suite 1500 Tulsa, OK 74136 (918) 491-4838 office (918) 491-4854 fax michelle.hanson@apachecorp.com

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