

Order Number  
DHC  
HOB-0354

Order Date  
12/7/09

API Number  
30-025-0761

Well Name  
Arnold A

Operator  
Apache Corp

County  
Lea/Kee

Number  
1

Location  
20s  
38e

UL  
F  
Sec  
11

R (+Dir)

Oil %  
50

Gas %  
33

WTR  
88%

House Blinbry

33230

House Tuebb

78760

67

50

12s

Comments: Posted RBDMS dm

DOWNHOLE COMMINGLE CALCULATIONS:

Ap. #30-025-07761  
OAL-HOB-0354

OPERATOR: Apache Corp

PROPERTY NAME: Arnold A

WNULSTR: #1-F, 11-205-380

SECTION I:

	ALLOWABLE AMOUNT		
POOL NO. 1 <u>House Blinebry</u>	<u>142</u>	<u>284</u> MCF	<u>2000</u>

POOL NO. 2 <u>House Tubb</u>	<u>142</u>	<u>284</u> MCF	<u>2000</u>
------------------------------	------------	----------------	-------------

POOL NO. 3 _____	_____	_____ MCF	
------------------	-------	-----------	--

POOL NO. 4 _____		_____ MCF	
------------------	--	-----------	--

POOL TOTALS 284 568

SECTION II:

	<u>Oil</u>	<u>GAS</u>
POOL NO. 1 <u>House Blinebry</u>	<u>50%</u>	<u>33%</u>

POOL NO. 2 <u>House Tubb</u>	<u>50% x 284 = 142</u>	<u>67%</u>
------------------------------	------------------------	------------

POOL NO. 3 \_\_\_\_\_

POOL NO. 4 \_\_\_\_\_

OIL

GAS

SECTION III:

50% ÷ 142 = 284

SECTION IV:

50% x 284 = 142

50% x 284 = 142

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88211  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**RECEIVED**  
CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
DEC 03 2009  
**HOBBSOCD**

WELL API NO. 30-025-07761
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NA
7. Lease Name or Unit Agreement Name Arnold A
8. Well Number 001
9. OGRID Number 873
10. Pool name or Wildcat House; Blinebry / House; Tubb

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>	
<p>1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other:</p>	
<p>2. Name of Operator Apache Corporation</p>	
<p>3. Address of Operator 6120 S Yale Avenue, Suite 1500, Tulsa, OK 74136-4224</p>	
<p>4. Well Location Unit Letter <u>F</u> : 1980 feet from the North line and 1980 feet from the West line Section 11 Township 20S Range 38E NMPM County Lea</p>	
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>          TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>          PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>          DOWNHOLE COMMINGLE <input checked="" type="checkbox"/></p>		<p><b>SUBSEQUENT REPORT OF:</b></p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>          COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/>          CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: <input type="checkbox"/></p>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to Division Order R-11363

Pool Names:

House; Blinebry 33230  
House; Tubb 78760

Perforations:

Blinebry 6068' - 6434'  
Tubb 6630' - 6844'

The allocation method will be as follows: Test 20 BO X 83 MCF X 41 BW

Blinebry	10 BO	50%	27 MCF	33%	36 BW	88%
Tubb	10 BO	50%	56 MCF	67%	5 BW	12%
TOTAL	20 BO	100%	83 MCF	100%	41 BW	100%

DHC-HOB-0354

Downhole commingling will not reduce the value of these pools. Ownership is the same for each of these pools.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sophie Mackay TITLE Engineering Technician DATE 11/30/2009

Type or print name Sophie Mackay E-mail address: sophie.mackay@apachecorp.com PHONE: 918-491-4864

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE DEC 07 2009

Conditions of Approval (if any):

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
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 & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-07761		2 Pool Code 33230		3 Pool Name House; Blinebry		
4 Property Code 303107		5 Property Name Arnold A			6 Well Number 001	
7 OGRID No. 873		8 Operator Name Apache Corporation			9 Elevation	

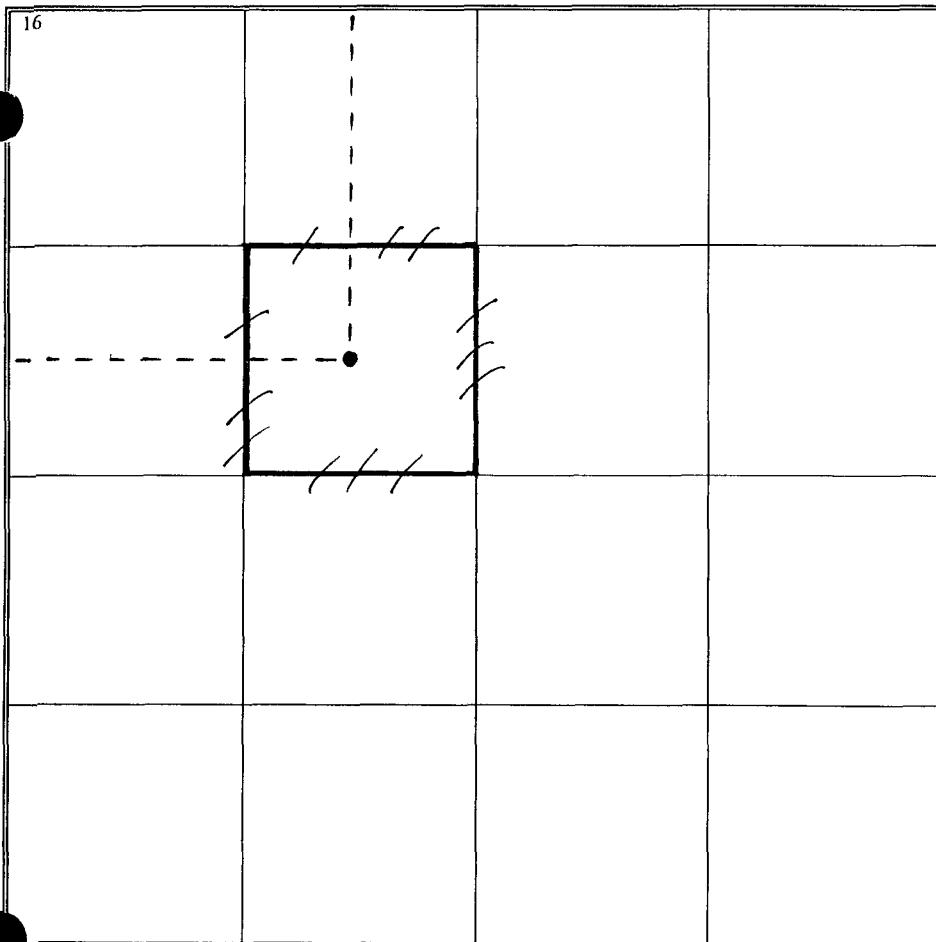
10 Surface Location

UL or lot no. F	Section 11	Township 20S	Range 38E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line West	County Lea
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	---------------

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 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.

	<p>16</p>
	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>S. Mackay</i> 11/30/2009 Signature Date Sophie Mackay Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor Certificate Number</p>

District I  
1625 N. French Dr., Hobbs, NM 88249  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
900 Rio Brazos Rd., Aztec, NM 87414  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED  
DEC 03 2009  
HOBBSOCD

State of New Mexico  
Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-07761	<sup>2</sup> Pool Code 78760	<sup>3</sup> Pool Name House; Tubb
<sup>4</sup> Property Code 303107	<sup>5</sup> Property Name Arnold A	<sup>6</sup> Well Number 001
<sup>7</sup> OGRID No. 873	<sup>8</sup> Operator Name Apache Corporation	<sup>9</sup> Elevation

### <sup>10</sup> Surface Location

UL or lot no. F	Section 11	Township 20S	Range 38E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line West	County Lea
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	---------------

### <sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<div>16</div>	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>S. Mackay</i> 11/30/2009 Signature Date Sophie Mackay Printed Name</p>
	<div>18 SURVEYOR CERTIFICATION</div> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p>
	Certificate Number