

DATE <u>10/29/01</u>	SUSPENSE <u>11/19/01</u>	ENGINEER <u>DC</u>	LOGGED <u>KN</u>	TYPE <u>CTB</u>
130448794				

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
[DD-Directional Drilling] [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-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Directional Drilling  
☐ NSL ☐ NSP ☐ DD ☐ 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

OCT 29 2001

[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 if 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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Frances M. Byers  
Print or Type Name

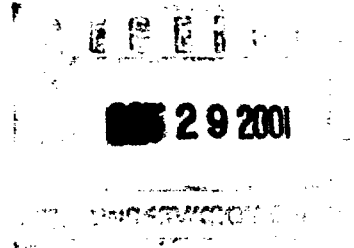
*Frances M. Byers*  
Signature

Sr. Engineering Tech  
Title

10/1/01  
Date

October 1, 2001

State of New Mexico  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505  
Attn: Mr. David Catanach



**RE: AMEND ORDER NO. CTB-318**  
**STATE 9 LEASE**  
**HOMESTAKE ROYALTY LEASE**  
**Lea County, New Mexico**

Dear Mr. Catanach:

As per your request, Apache Corporation has attached the following:

- A) Administrative Application Checklist
- B) List of wells, with their producing rate that being commingled in the CTB-318 battery
- C) A map that shows the leases to be commingled and the area they encompass.
- D) A current schematic of the commingling battery
- E) A list of interest owners with the certified receipt, for proof of notification.

Sincerely,

**APACHE CORPORATION**

  
Frances M. Byers  
Sr. Engineer Tech

2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

CORPORATION

October 1, 2001

WWW.APACHECORP.COM  
(713) 296-6000

State of New Mexico  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505  
Attn: Mr. David Catanach

**RE: AMEND ORDER NO. CTB-318**  
**STATE 9 LEASE**  
**HOMESTAKE ROYALTY LEASE**  
**Lea County, New Mexico**

Dear Mr. Catanach:

Apache Corporation is requesting an amendment to the exception to Rule 303A, surface commingle Order. Production from all wells are from the N. E. Lovington Penn pool. The leases that are commingle are the following:

Lease Name: **Homestake Royalty Lease**  
Description: **SE/4, Section 10, Township 16 South, Range 37 East, NMPM**

Lease Name: **State 9 Lease**  
Description: **N/2, Section 9, Township 16 South, Range 37 East, NMPM**

Lease Name: **Andrus 9 Lease**  
Description: **SW/4, Section 9, Township 16 South, Range 37 East, NMPM**

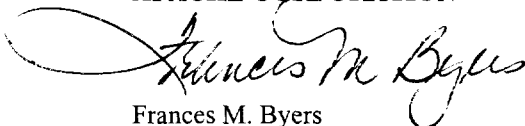
Currently the wells are producing as follows:

	<u>WELL</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>API GRAVITY</u>
30-025-29481	Homestake Royalty #1-10	10	81	40	40°
29016	State #9-1	18	10	20	41°
35324	State #9-2	290	0	385	41°

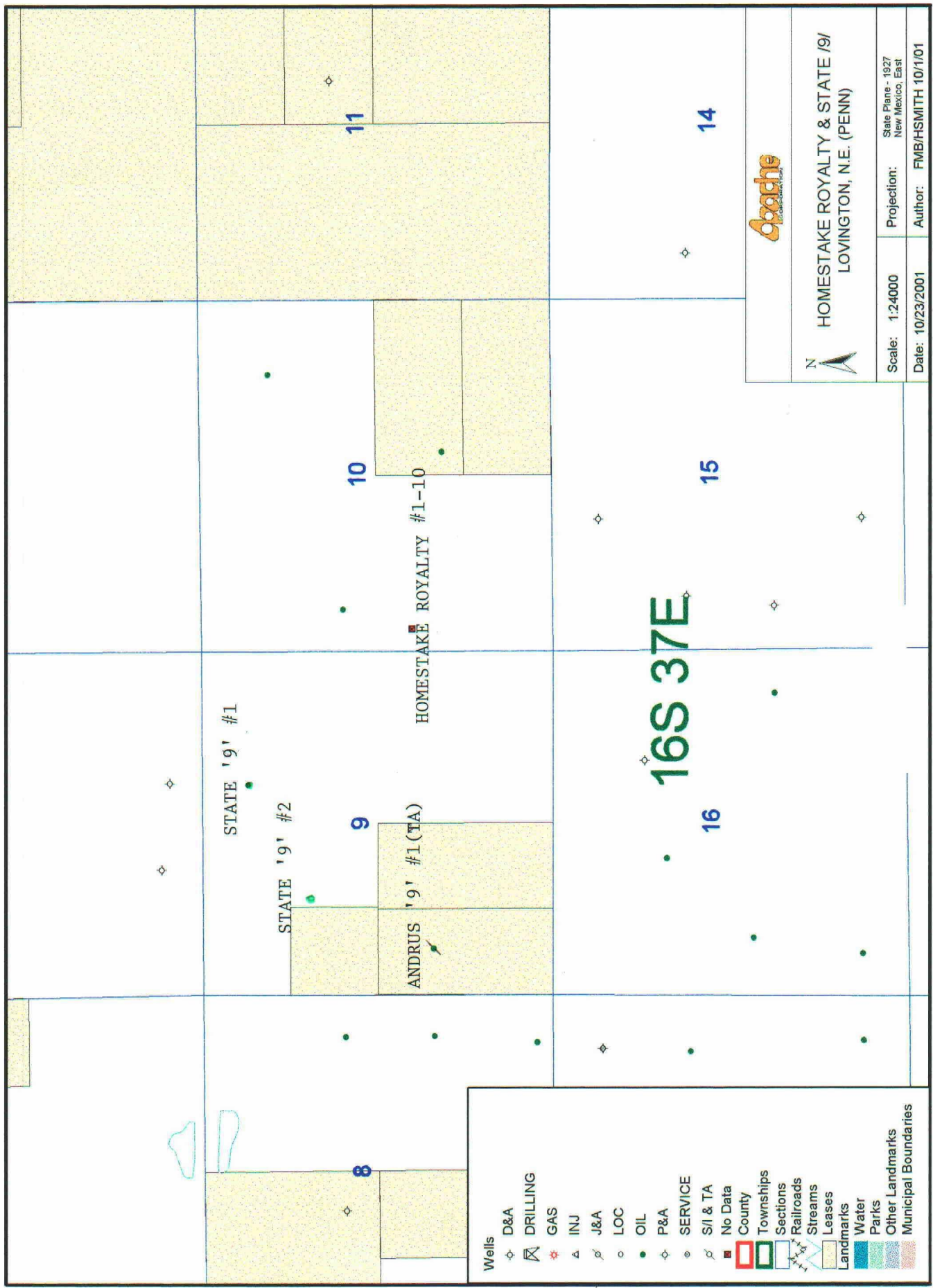
All production will be metered separately as royalty ownership differs for each lease. Attached is a schematic of the battery facility, a plat that shows the area the leases encompass and a list of the interest owners for each lease with notification proof. A copy of this request has been forward to the State Land Commission.

Sincerely,

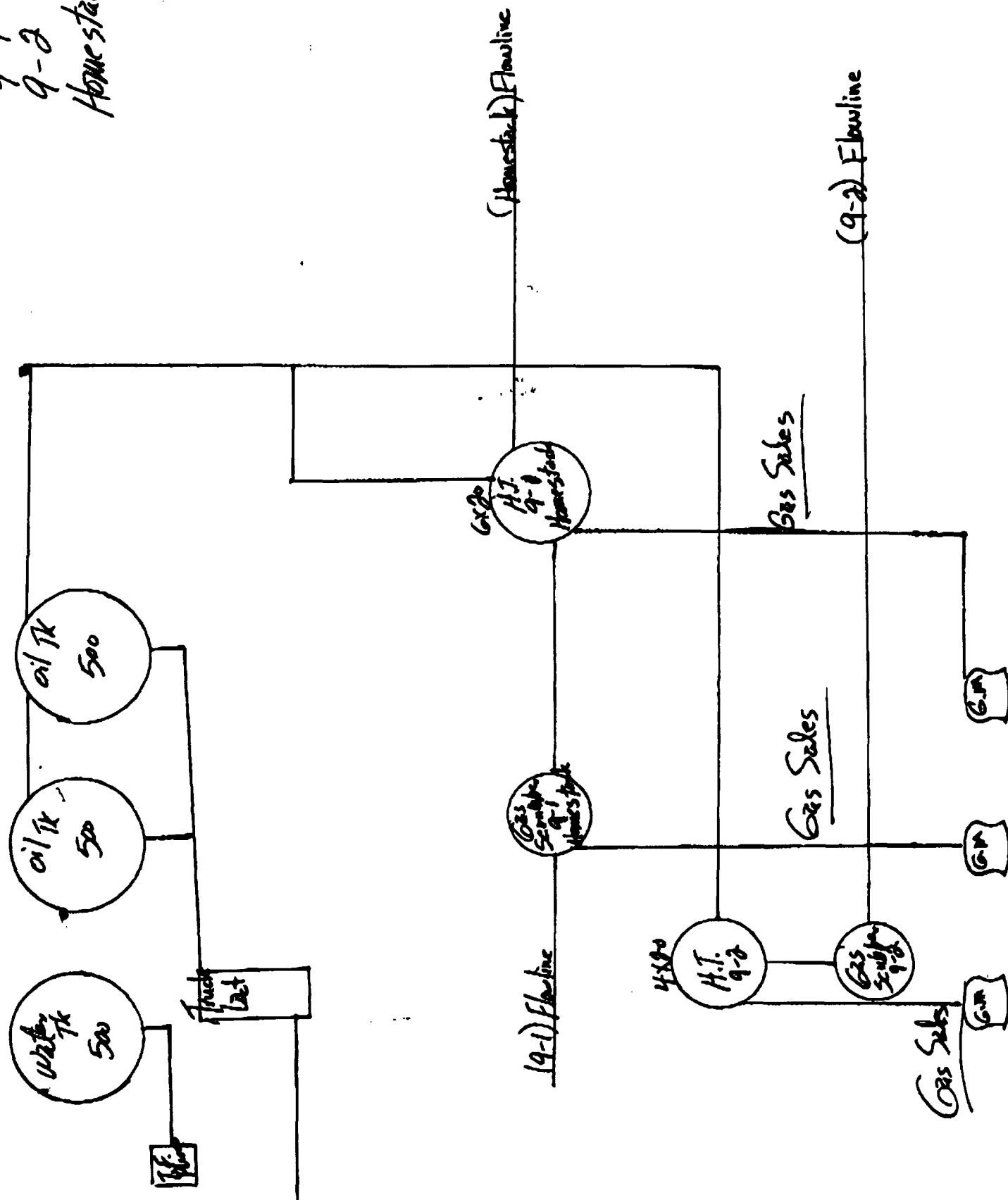
APACHE CORPORATION



Frances M. Byers  
Sr. Engineer Tech



Stack 9 - Battery  
 9-1  
 9-2  
 Homestead Royalty



**INTEREST OWNERS FOR STATE #9-1**

Apache Corporation 2000 Post Oak Blvd. – Suite 100 Houston, TX 77056	W.I. 100%
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**INTEREST OWNERS FOR STATE #9-2**

Apache Corporation 2000 Post Oak Blvd. – Suite 100 Houston, TX 77056	W.I. 33.33%
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Chesapeake Exploration P. O. Box 18496 Oklahoma City, OK 73154-0496	W.I. 66.66%
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**INTEREST OWNERS FOR HOMESTAKE ROYALTY #1-10**

Apache Corporation 2000 Post Oak Blvd. – Suite 100 Houston, TX 77056	W.I. 86.82%
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G. Dee Williamson P. O. Box 2206 Oklahoma City, OK 73154-0496	W.I. 0.44643%
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JMK Petroleum 8131 LBJ – Suite 840 Dallas, TX 75251	W.I. 0.47571%
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Roy G. & Opal Barton Rev Tr 1919 N. Turner St. Hobbs, NM 88240-2712	W.I. .0.625%
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Roy G. Barton 1919 N. Turner St. Hobbs, NM 88240-2712	W.I. 0.17857%
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Adley Royalty Co. 4022 Angelina Midland, TX 79707	W.I. 11.45426%
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U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	
Postmark Here		

**Sent 7**  
Street,  
Chesapeake Exploration  
P. O. Box 18496  
City, St Oklahoma City, OK 73154-0496

PS Form 3800, July 2000  
Instructions  
U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

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Certified Fee		
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Restricted Delivery Fee (Endorsement Required)		
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G. Dee Williamson  
P. O. Box 2206  
Oklahoma City, OK 73154-0496

Instructions

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JMK Petroleum  
8131 LBJ - Suite 840  
City, St Dallas, TX 75251

PS Form 3800, July 2000  
See Reverse for Instructions  
U.S. Postal Service  
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Postmark Here		

Roy G. Barton  
1919 N. Turner St.  
Hobbs, NM 88240-2712

for Instructions

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1919 N. Turner St.  
City, St Hobbs, NM 88240-2712

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Adley Royalty Co.  
4022 Angelina  
Midland, TX 79707

for Instructions