

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY)
 THE OIL CONSERVATION DIVISION FOR THE)
 PURPOSE OF CONSIDERING:) CASE NO. 12,986
)

APPLICATION OF APACHE CORPORATION FOR)
 AN UNORTHODOX OIL WELL LOCATION IN LEA)
 COUNTY, NEW MEXICO)
)

OFFICIAL EXHIBIT FILEEXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

January 23rd, 2003

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, January 23rd, 2003, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR
 (505) 989-9317



**State A #6 – Hearing
Before the NMOCD
Santa Fe, New Mexico**

January 23, 2003

**Documentation
&
Figures**

**BEFORE THE
OIL CONSERVATION DIVISION**
Case No.12986 Exhibit No.____
Submitted By:
Apache Corporation
Hearing Date: January 23, 2003

APACHE CORPORATION

STATE A #6
990' FNL & 1817' FEL, Sec. 32, T18S, R38E
Lea County, New Mexico
API # 30-025-35304

DOCUMENTS FOR 01/23/03 HEARING

1. Internal Apache Corporation Memo dated November, 2000, recommending that the State A #6 well be drilled at 660' FNL & 1980' FEL. Original Cost Estimate for Drilling & Completion of State A #6.
2. Digital Photos of the State A #6 area showing the surface cause for moving the location.
 - a. The State A #6 well sign, showing the location in Sec. 32, T18S, R38E
 - b. The State A #6 pumping unit looking from north to south
 - c. The State A #4 pumping unit with an Oxy well in the background producing from a deeper horizon.
 - d. A closer look at the State A #4 pumping unit
 - e. The Apache State A Tank Battery from the State A #6 well looking north. The battery is located at 660' FNL & 1980' FEL, Sec 32, T18S, R38E.
 - f. Meter runs and pipelines just to the north of the tank battery. Taken from the tank battery
 - g. A large Playa lakebed just to the east of the tank battery
 - h. Another look at the Playa lakebed
3. Copy of OCD Form C-102, Well Location and Acreage Dedication Plat for the State A #6 well, signed by Registered Professional Surveyor Ronald J. Eidson on November 20, 2000 and signed by Apache Corp. Representative Everett Ouzts on November 30, 2000. The location shown on the plat indicates that the location had been moved to 990' FNL & 1817' FEL. Also included under this tab are some other maps of the immediate area/vicinity and a diagram of the proposed wellhead design for the State A #6 well.
4. Copy of OCD Form C-101, Application for Permit to Drill, Re-Enter, Deepen, Plugback or Add a Zone, dated November 30, 2000. Requested permit is for the State A #6 well. Stamped by OCD Representative Chris Williams on December 13, 2000. Approved Permit shows location at 990' FNL & 1817' FEL. Stamped that permit would expire 1 year from date of issuance unless drilling was underway.
5. Copy of OCD Form C-103, Sundry Notices and Reports on Wells, requesting a renewal of the Permit for the State A #6 well. Stamped by OCD Representative Paul F. Kautz on September 19, 2001. Also signed by Apache Corp. Representative Harold Swain on September 10, 2001. Notation that permit was extended until December 13, 2002. Location shown on the form is 990' FNL & 1817' FEL.

6. Cover Letter and Executed Surface Damage Release for the State A #6 location. The Surface Damage release is signed by Apache Corp. Representative Glenn A. Otness, Land Manager and by a representative of Grimes Land Company on August 16, 2001. The cover letter is signed by the same Grimes Land Company Representative on August 29, 2001. Location shown on the release was at 990' FNL & 1817' FEL.
7. Revised 2002 AFE for drilling and completing the State A #6 well at 990' FNL & 1817' FEL, Sec. 32, T18S, R38E, Lea County, New Mexico.
8. Copy of OCD Form C-103, Sundry Notices and Reports on Wells, showing Spud, Casing and Cementing Programs used during the drilling of the State A #6 well. Form was filed with the OCD in June, 2002. Stamped by OCD Representative Gary W. Wink on June 27, 2002
9. Copy of OCD Form C-105, Well Completion or Recompletion Report and Log, which was filed with the OCD in July, 2002.
10. Copy of OCD Form C-104, Request for Allowable and Authorization to Transport, which was filed with the OCD in July, 2002. Stamped by OCD Representative Paul F. Kautz on August 12, 2002.
11. Copy of complete package for recompleting the State A #6 well from the Drinkard to the Lower Blinebry. Package includes Offset operators notified, Cover Letter, Administrative Application Checklist, OCD Form C-101, OCD Form C-102 showing the State A #5 location, OCD Form C-102 showing the State A #6 location, Map of the State A #6 vicinity.
12. State A #6 Timeline of Events
13. State A #4 Timeline of Events
14. State A #5 Timeline of Events
15. Front Pocket contains a map of the area showing the original location of the well and the eventual relocation of the well. The map shows roads, tank batteries, other wells,
16. Back Pocket contains a Cross Section of the State A #4, State A #5, State A #6 and State A #7 wells.