P. O. Box 2088
anta Fe, New Mexico 87501

Adopted 3-2-84 Side 1 8889

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL

Operator _	APOL	LO ENERGY	. INC.	•	Co	ntact Pa	rty M	. Y. N	- Merchant	- P1	resident
		BOX 5315							(505) 3		
Lease Sin	clair	State	Well Mr.	1	vr <u>68</u>	Sec					36E
Pool Name	Eumo	nt Yates	SRQ		Min	imum Rat	e Reque	sted	50 MCF	PD	
Transporte	r Name	Phillip:	s Petrol	eum Co.	Pu	rchaser	(if dif	feren	<u>-</u>		
Are you see	eking e	mergency '	hardship	classi:	fication	for thi	s well?		X yes		no
Applicant makes well qualif	must pr fies as	ovide the	following gas we	ng inform	ation to	suppor	t his c	ontent	ion tha	t the	subject
		•				*					

- Provide a statement of the problem that leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)
- 2) Document that you as applicant have done all you reasonably and economically can do to eliminate or prevent the problem(s) leading to this application.
 - a) Well history. Explain fully all attempts made to rectify the problem. If no attempts have been made, explain reasons for failure to do so.
 - b) Mechanical condition of the well(provide wellbore sketch). Explain fully mechanical attempts to mestify the problem, including but not limited to:
 - i) the use of "smallbore" tubing; ii) other de-watering devices, such as plunger lift, rod pumping units, etc.
- 3) Present historical data which demonstrates conditions that can lead to waste. Such data should include:
 - a) Permanent loss of productivity after shut-in periods (i.e., formation damage).
 - b) Frequency of swabbing required after the well is shut-in or curtailed.
 - c) Length of time swabbing is required to return well to production after being shut-in.
 - d) Actual cost figures showing inability to continue operations without special relief
- 4) If failure to obtain a hardship gas well classification would result in premature abandonment, calculate the quantity of gas reserves which would be lost
- 5) Show the minimum sustainable producing rate of the subject well. This rate can be determined by:
 - a) Minimum flow or "log off" test; and/or
 - b) Documentation of well production history (producing rates and pressures, as well as gas/water ratio, both before and after shut-in periods due to the well dying, and other appropriate production data),
- Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.
- 7) Submit any other appropriate data which will support the need for a hardship classification.
- 8) If the well is in a prorated pool, please show its current under- our over-produced status.
 -) Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Division district office (give the name) and that notice of the application has been given to the transporter/purchaser and all offset operators.

GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION

) Definition of Underground Waste.

"Underground Waste as those words are generally understood in the oil and gas business, and in any event to embrace the inefficient, excessive, or improper use or dissipation of the reservoir energy, including gas energy and water drive, of any pool, and the locating, spacing, drilling, equipping, operating, or producing, of any well or wells in a manner to reduce or tend to reduce the total quantity of crude petroleum oil or natural gas ultimately recovered from any pool, and the use of inefficient underground storage of natural gas."

- The only acceptable basis for obtaining a "hardship" classification is prevention of waste with the burden of proof solely on the applicant. The applicant must not only prove waste will occur without the "hardship" classification, but also that he has acted in a responsible and prudent manner to minimize or eliminate the problem prior to requesting this special consideration. If the subject well is classified as a "hardship" well, it will be permitted to produce at a specified minimum sustainable rate without being subject to shut-in by the purchaser due to low demand. The Division can rescind approval at any time without notice and require the operator to show cause why the classification should not be permanently rescinded if abuse of this special classification becomes apparent.
- The minimum rate will be the minimum sustainable rate at which the well will flow. If data from historical production is insufficient to support this rate (in the opinion of the Director), or if an offset operator or purchaser objects to the requested rate, a minimum flow ("log off") test may be required. The operator may, if he desires, conduct the minimum flow test, and submit this information with his application.
- 4) If a minimum flow test is to be run, either at the operator's option or at the request of the Division, the offset operators, any protesting party, the purchaser and OCD will be notified of the date of the test and given the opportunity to witness, if they so desire.
- 5) Any interested party may review the data submitted at either the Santa Fe office or the appropriate OCD District Office.
- The Director can approve uncontested applications administratively if, in his opinion, sufficient justification is furnished. Notice shall be given of intent to approve by attaching such notice to the regular examiner's hearing docket. Within 20 days following the date of such hearing, the affected parties will be permitted to file an objection. If no objection has been filed, the application may be approved.
- 7) Should a protest be filed in writing, the applicant will be permitted to either withdraw the application, or request it to be set for hearing.
- a) An emergency approval, on a temporary basis for a period not to exceed 90 days, may be granted by the District Supervisor, pending filing of formal application and final action of the OCD Director. This temporary approval may be granted only if the District Supervisor is convinced waste will occur without immediate relief. If granted, the District Supervisor will notify the purchaser.
- 3) After a well receives a "hardship" classification, it will be retained for a period of one year unless rescinded sooner by the Division. The applicant will be required to certify annually that conditions have not changed substantially in order to continue to retain this classification.
- 10) Nothing here withstanding, the Division may, on its own motion, require any and all operators to show cause why approval(s) should not be rescinded if abuse is suspected or market conditions substantially change in the State of New Mexico.
- 11) A well classified as a "hardship well" will continue to accumulate over and under production (prorated pools). Should allowables exceed the hardship allowable assigned, the well will be permitted to produce at the higher rate, if capable of doing so, and would be treated as any other non-hardship well. Any cumulative overproduction accrued either before or after being classified "hardship" must, however, be balanced before the well can be allowed to produce at the higher rate.

Sinclair State No. 1

- 1. Sinclair State No. 1 was drilled and completed November 22, 1957, additional perforations were added and frac'd increasing production 12 MCF/D to 300 MCF/D. During the past two years well has been swabbed various times to maintain 30-40 MCF/D production. Each time well was shut-in in the past, it had to be foam cleaned to return it to production. A shut-in will flood the producing zone and impair its ability to produce even 30 MCF/D.
- 2. Before the shut-in by the purchaser, Apollo was in the process of acquiring approval from all parties to install a pump jack and electrify the lease. The off-setting Sinclair State No. 2 had similar work done in January, 1986. Without beam pump this well would soon have been non-commercial.
- 3. Without production well will soon have to be plugged. A beam pumping unit and electrification (est. cost \$20,000+) can not be justified if the final result is "Shut-In". If the well is left shut-in, it will "flood out" and will damage this low pressure-low permeability reservoir permanently.
- 4. In the absence of no artificial lift and eventual plugging a loss of 109 MMCF of gas reserves is a reality.
- 5. Production history curve is a good documentation as to the ability of this well to produce.
 - I, Mohammed Yamin Merchant, certify the above statement and information submitted with this application is true and correct to the best of my Knowledge, that one copy of the application has been submitted to the Hobbs Division District Office and notice of the application has been given to Phillips Petroleum Company, transporter and purchaser, and all off-set operators.

Mohammed Yamin Merchant President

Cha Hakeh !

State of New Mexico)

County of Lea

The foregoing instrument was acknowledged before me this 8th day of April, 1986, by Mohammed Yamin Merchant, President of Apollo Energy, Inc.

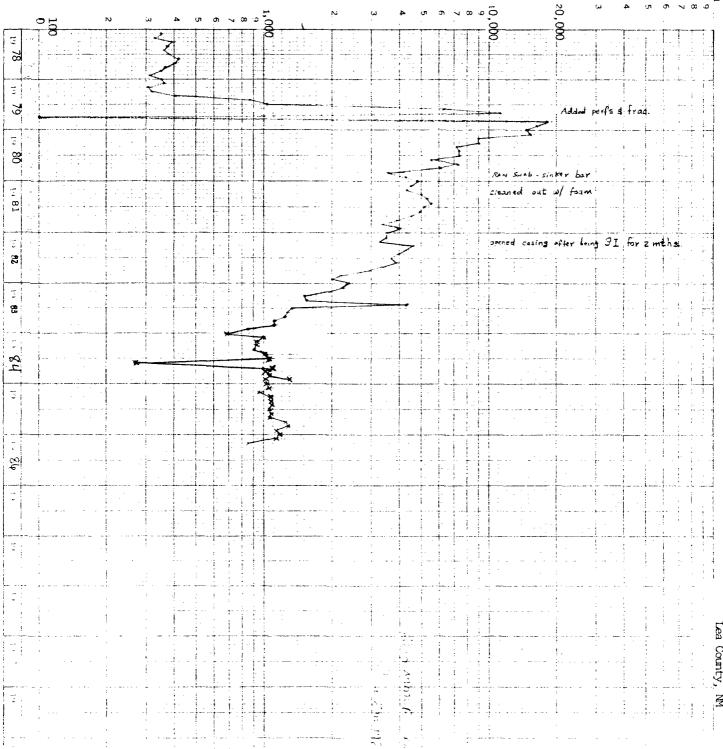
Betty L. Swafford

Notary Public

My commission Expires: September 18, 1987

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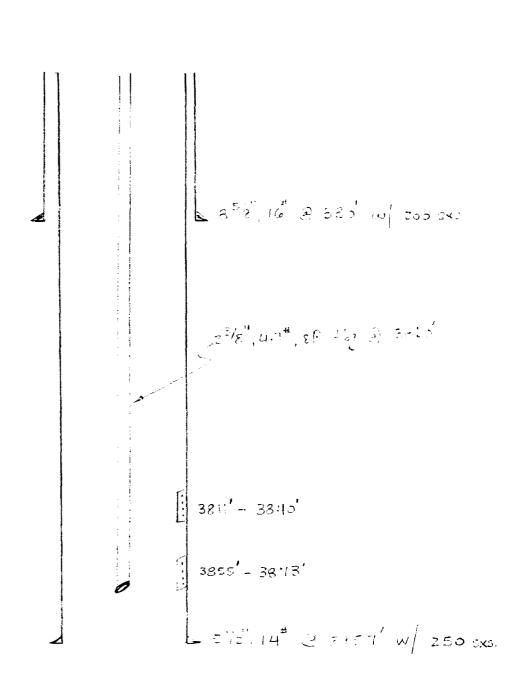
CC: Oil Conservation Division
Hobbs, New Mexico
Phillips Petroleum Company
Warrior, Inc.
File



APOILO EMERGY
Sinclair State Well No. |
Sec. 32, T-20S, R-36E
Lea County, NM______

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APOLLO ENERGY INC.



MEXICO OIL CONSERVATION COMMUSION
Well Location and Acreage Dedication Plat

Section A.					Date	muery 10, 1958
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Well No Located County	Lea	it Letter G Feet From G. L. Formation B as	MOPUN Line Elevation	, 1980 Dec	nship 20 S Feet From dicated Acreage ol Undesign s	Line 160.00 Acres
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		;			P.O. F	ox 80, Roswell, N.I Address
					well lo plat in from fi surveys my supe same is	
						red Professional r and/or Land Surveyor

(See instructions for completing this form on the reverse side)

APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS. N.M. 88241 ** JOINT INTEREST BILLING ** DECEMBER 31. 1985

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REPERDATE

37800 SINCLAIR STATE #1

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APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING ** JANUARY 31, 1986

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APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING ** FEBRUARY 28, 1986

PAGE 9

M0117 M.Y. MERCPANT 926 CAPROCK HOBBS, N.M. 88240 INVOICE NO. 37800-MC117-850278

	REFERENCE	YOUR %		TOTAL	YOUP	
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Adopted 3-2-84 Side 1

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

P. O. Box 2088 Santa Fe, New Mexico 87501

Case 8889

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL

Operator	APOI	LO ENERGY	Y, INC.			Con	tact	Par	у М.	Υ.	Merchant -	Presi	.dent
Address _	P.O.	вох 531	5, HOBBS,	NEW ME	XICO	88241	ι .		Phone	No.	(505)397-	3596	
Lease S	inclain	State	_ Well Mk	2	UT	Н	Sec.	32	TWP	208	RGE	36E	
Pool Name	Eumo	ont Yates	SRQ			Mini	.mum	Rate	Reque	sted	50 MCF	PER DA	·Υ
Transport	er Name	Philli	ps Petrol	eum Co.		Pur	chas	er (:	if dif	feren	at)		
Are you s	seeking	emergency	"hard sh i	ip" clas	sifica	ation	for	this	well?		X yes		no
Applicant	: must p	provide the	ne follow hip gas	ing info)rmati	on to	sup	port	his co	nten	tion that	the sul	oject

- Provide a statement of the problem that leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)
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 - Length of time swabbing is required to return well to production after being shut-in.
 - Actual cost figures showing inability to continue operations without special relief
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- Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.
- Submit any other appropriate data which will support the need for a hardship classification.
- If the well is in a prorated pool, please show its current under- or over-produced status.
- Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Division district office (give the name) and that notice of the application has been given to the transporter/purchaser and all offset operators.

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1) Definition of Underground Waste.

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- 3) The minimum rate will be the <u>minimum sustainable rate</u> at which the well will flow. If data from historical production is insufficient to support this rate (in the opinion of the Director), or if an offset operator or purchaser objects to the requested rate, a minimum flow ("log off") test may be required. The operator may, if he desires, conduct the minimum flow test, and submit this information with his application.
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- 5) Any interested party may review the data submitted at either the Santa Fe office or the appropriate OCD District Office.
- 6) The Director can approve uncontested applications administratively if, in his opinion, sufficient justification is furnished. Notice shall be given of intent to approve by attaching such notice to the regular examiner's hearing docket. Within 20 days following the date of such hearing, the affected parties will be permitted to file an objection. If no objection has been filed, the application may be approved.
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Sinclair State No. 2

- 1. Sinclair State No. 2 was drilled and completed at a rate of 400 MCFPD in July, 1982. As evidence from the performance curve it continued on a "drastic decline" when it was swabbed after being on production for seven (7) months. This well was swabbed at least four (4) times during the following two years, but was unable to sustain production. If left shut-in it would flood the low pressure low permeability reservoir and may "kill" the well forever.
- 2. After failing to produce the well at commercial rates, APOLLO installed a pump jack and electrified the well in January, 1986 which improved production from 10 MCFD and some water when it was shut-in by the purchaser.
- 3. Based on the well histories offsetting this well, APOLLO'S, as well as Warriors, the well may fail to come back after being shut-in. Warrior well 407 #4 dropped in productivity from 400 MCFD to less than 200 MCFD when it was shut-in because of equipment problems. APOLLO'S Divine "29" State failed to produce its maximum after it was shut-in waiting on pipeline completion.
- 4. If the well looses its productivity and is plugged, it will mean a loss of 146 MMCF under current price structure.
- 5. Well production history (attached) testifies to the rates of production well is capable of.

I, Mohammed Yamin Merchant, certify the above statement and information submitted with this application is true and correct to the best of my knowledge, that one copy of the application has been submitted to the Hobbs Division District office and notice of the application has been given to Phillips Petroleum Company, transporter and purchaser, and all off-set operators.

Mohammed Yamin Merchant President

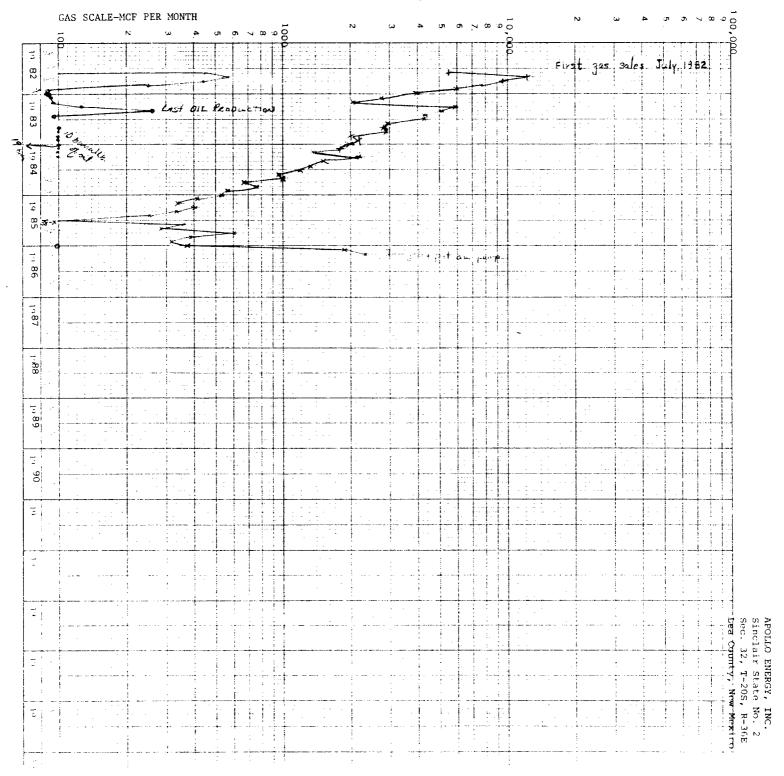
State	of	New	Mexico)
)
County	of	f Lea	a)

The foregoing instrument was acknowledged before me this 8th day of April , 1986, by Mohammed Yamin Merchant .

Betty L. Swafford Notary Public

My Commission Expires: September 19, 1987

CC: Oil Conservation Division Hobbs, New Mexico Phillips Petroleum Company Warrior, Inc. File

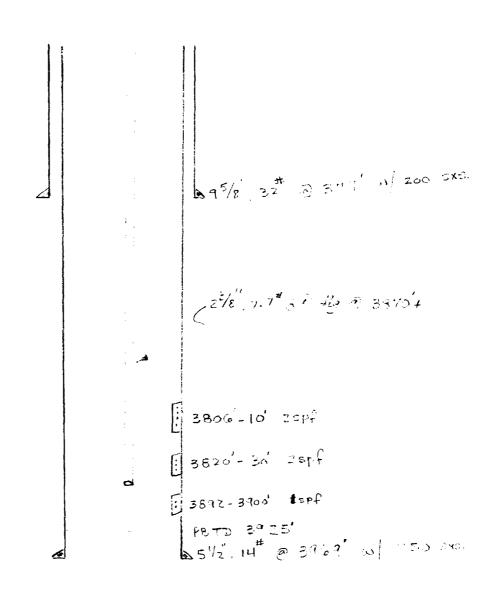


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APOLLO EMERSY INC.

SINGLADO STATE NO. 2

GEC. 30. TOOK STATE
LEA COUNTY, NM



NIN MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 14-65

All distances must be from the outer boundaries of the Section.

Operator Apo		Sinclair State						Well No. 2			
Unit Letter H	Section	32	Township 20 S	South	Ronge County Lea						
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Ground Level Elev. 3608.9	100	Producing For		Inte did	Pool	Eumon		m the		Dedic	tine ated Acreage: /20 Acres
1. Outline th	e acre			subject we	ell by			chure	marks on th	ie plat	Acres
 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consoli- 											
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APRILO ENERGY, INC.
P.O. BOX 5315
SO14 CARLSBAD HIGHWAY
HOBBS, N.M. 88241
** JOINT INTEREST BILLING **
DECEMBER 31, 1985

80103 BABER WELL SERVICE F.O. BOX 1772 HOBBS: N.M. 88240 TNV-2108 (5) Block made

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APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING ** JANUARY 31, 1984

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APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING **

FEBRUARY 28, 1986

MO117 M.Y. MERCHANT 920 CAPROCK HOBBS, N.M. 88240 INVOICE NO. 37900-M0117-860228

PAGE 10

37900 SINCLAIR STATE #2	REFERENCE	YOUR %		TOTAL	YOUR SHARE
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TOTAL FOR SINCLAIR STA	ATE #2			3,477.03	434.64
ENDING BALANCE					434.64

P. O. Box 2088 Santa Fe, New Mexico 87501 Adopted 1-2-64 Side 1

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL

	N. E	888	9
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Operator	·	APOLL	O EN	ERGY,	INC.		٠		Cor	tact	Part	y M	. Y. M	lercha	nt -	Pres	ident
Address		P.O.	вох	5315:	новв	s, NEW	MEX]	ICO	8824	1 .		Phone	No.	(505)	397-	3596	
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Transpor	ter	Name	Ph	illix	ふ Pet	roleum	Co.		Pur	chas	er (i	f diff	ferent)	·			
Are you	seek	ing e	merg	ency	"hards	hip" cl	lassi	fica	tion	for	this	well?	X	уе	:s		no
Applicant must provide the following information to support his contention that the subject well qualifies as a hardship gas well.																	

- Provide a statement of the problem that leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)
- Document that you as applicant have done all you reasonably and economically can do to eliminate or prevent the problem(s) leading to this application.
 - a) Well history. Explain fully all attempts made to rectify the problem. If no attempts have been made, emplain reasons for failure to do so.
 - b) Mechanical condition of the well(provide wellbore sketch). Explain fully mechanical attempts to rectify the problem, including but not limited to:
 - the use of "smallbore" tubing; ii) other de-watering devices, such as plunger lift, rod pumping units, etc.
- 3) Present historical data which demonstrates conditions that can lead to waste. Such data should include:
 - a) Permanent loss of productivity after shut-in periods (i.e., formation damage).
 - b) Frequency of swabbing required after the well is shut-in or curtailed.
 - c) Length of time swabbing is required to return well to production after being shut-in.
 - d) Actual cost figures showing inability to continue operations without special relief
- 4) If failure to obtain a hardship gas well classification would result in premature abandonment, calculate the quantity of gas reserves which would be lost
- 5) Show the minimum sustainable producing rate of the subject well. This rate can be determined by:
 - a) Minimum flow or "log off" test; and/or
 - b) Documentation of well production history (producing rates and pressures, as well as gas/water ratio, both before and after shut-in periods due to the well dying, and other appropriate production data).
- 5) Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.
- 7) Submit any other appropriate data which will support the need for a hardship classification.
- 8) If the well is in a prorated pool, please show its current under- or over-produced status.
- 9) Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Division district office (give the name) and that notice of the application has been given to the transporter/purchaser and all offset operators.

GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION

1) Definition of Underground Waste.

"Underground Waste as those words are generally understood in the oil and gas business, and in any event to embrace the inefficient, excessive, or improper use or dissipation of the reservoir energy, including gas energy and water drive, of any pool, and the locating, spacing, drilling, equipping, operating, or producing, of any well or wells in a manner to reduce or tend to reduce the total quantity of crude petroleum oil or natural gas ultimately recovered from any pool, and the use of inefficient underground storage of natural gas."

- The only acceptable basis for obtaining a "hardship" classification is prevention of waste with the burden of proof solely on the applicant. The applicant must not only prove waste will occur without the "hardship" classification, but also that he has acted in a responsible and prudent manner to minimize or eliminate the problem prior to requesting this special consideration. If the subject well is classified as a "hardship" well, it will be permitted to produce at a specified minimum sustainable rate without being subject to shut-in by the purchaser due to low demand. The Division can rescind approval at any time without notice and require the operator to show cause why the classification should not be permanently rescinded if abuse of this special classification becomes apparent.
- 3) The minimum rate will be the minimum sustainable rate at which the well will flow. If data from historical production is insufficient to support this rate (in the opinion of the Director), or if an offset operator or purchaser objects to the requested rate, a minimum flow ("log off") test may be required. The operator may, if he desires, conduct the minimum flow test, and submit this information with his application.
- 4) If a minimum flow test is to be run, either at the operator's option or at the request of the Division, the offset operators, any protesting party, the purchaser and OCD will be notified of the date of the test and given the opportunity to witness, if they so desire.
- 5) Any interested party may review the data submitted at either the Santa Fe office or the appropriate OCD District Office.
- The Director can approve uncontested applications administratively if, in his opinion, sufficient justification is furnished. Notice shall be given of intent to approve by attaching such notice to the regular examiner's hearing docket. Within 20 days following the date of such hearing, the affected parties will be permitted to file an objection. If no objection has been filed, the application may be approved.
- 7) Should a protest be filed in writing, the applicant will be permitted to either withdraw the application, or request it to be set for hearing.
- 8) An emergency approval, on a temporary basis for a period not to exceed 90 days, may be granted by the District Supervisor, pending filing of formal application and final action of the OCD Director. This temporary approval may be granted only if the District Supervisor is convinced waste will occur without immediate relief. If granted, the District Supervisor will notify the purchaser.
- 5) After a well receives a "hardship" classification, it will be retained for a period of one year unless rescinded sooner by the Division. The applicant will be required to certify annually that conditions have not changed substantially in order to continue to retain this classification.
- 10) Nothing here withstanding, the Division may, on its own motion, require any and all operators to show cause why approval(s) should not be rescinded if abuse is suspected or market conditions substantially change in the State of New Mexico.
- 11) A well classified as a "hardship well" will continue to accumulate over and under production (prorated pools). Should allowables exceed the hardship allowable assigned, the well will be permitted to produce at the higher rate, if capable of doing so, and would be treated as any other non-hardship well. Any cumulative overproduction accrued either before or after being classified "hardship" must, however, be balanced before the well can be allowed to produce at the higher rate.

Divine "29" State No. 1

- 1. Divine "29" State No. 1 was drilled and completed January 13, 1983. After the initial testing (495 MCFD) well was shut-in for 30+ days waiting on pipeline connection, when it had to be put on pump to produce. It lost its initial production rate and even re-fracing failed to return the well to its maximum ability to produce. Based on past performance, current shut-in will cause rods and pump to stick (paraffin and iron sulfide problems) but also has a good chance well will not produce 50 MCFD.
- 2. (a) Well was drilled and completed January 13, 1983. Started to produce by beam pumping unit March, 1983.
- 3. (a) Above explanation. Without production well will have to be plugged and will lose the lease because of non-production. Cost \$600 per month to operate including electric cost.
 - (d) Copies of Joint Interest Billing for past 3 months shows operating cost of well.
- 4. If well is plugged, under the current price structure, loss of reserves will be 102 MMCF.
- 5. Production history Decline curves is a good documentation as to the ability of this well to produce.
- 6. This well also produces about 1 BOPD and by definition certainly does not classify as a gas well.
 - I, Mohammed Yamin Merchant, certify the above statement and information submitted with application is true and correct to the best of my knowledge, that one copy of the application has been submitted to the Hobbs Division District office and notice of the application has been givent to Phillips Petroleum Company, transporter and purchaser, and all off-set operators.

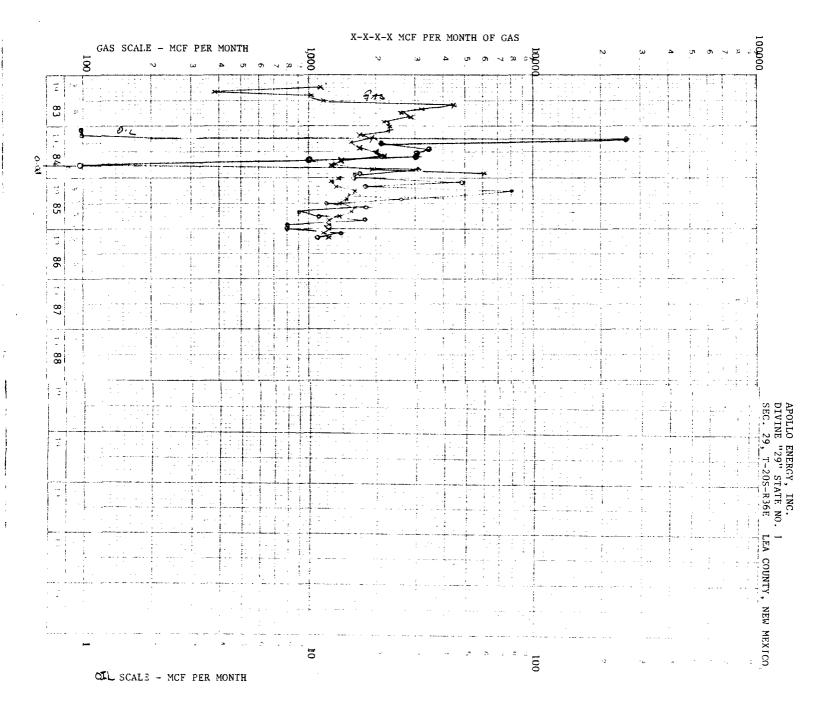
Mohammed Yamin Merchant President

I franch / Jack

County of Lea)	
The foregoing instrument was acknowledged before me this	8th
day of April , 1986, by Mohammed Yamin Merchant	•
Gette, & Swaffed	
Betty L. Swafford U	
Notary Public	
My Commission Expires: September 19, 1987	

CC: Oil Conservation Division
 Hobbs, New Mexico
 Phillips Petroleum Company
 Warrior, Inc.
 File

State of New Mexico)



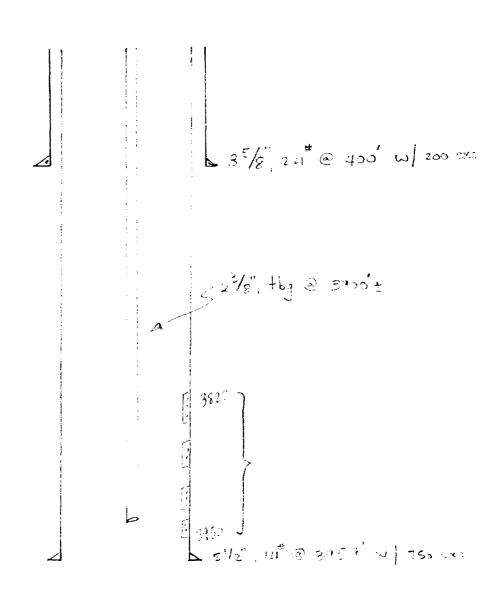
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APOLLO ENSON INC.

DIVING Z9 OT. 1

SEC. 29. TENS, FERS

LEA COUNTY, NM



NEW MEXICO OIL CONSERVATION COM SION CLL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section									
Operator			Legse				Weil No.		
APOLLO	D ENERGY , INC	3.	D	LVINE 29	STATE		1		
'init Letter	Section	Township	Romge		County				
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-			1000		_	A C/T			
660	feet from the	SOUTH line and	1980	feet	from the E		1.ne		
Ground Level Elev.	Producing For	_	Pool		2.00	T	Desirates Aureage:		
3618.	6	Succe m	1 mont	rates	1 111	100	150 Acres		
1. Outline in	e acreage dedica	ted to the subject w	en by conorec	pencil or	nachure m	arks on the	plat below.		
interest ar	nd royalty).						ercof (both as to working		
				me well, n	ave the int	eresis or	all owners been consoli-		
dated by c	ommunitization, u	mitization, force-pool	ing. etc?						
	A-6								
Yes	No If an	nswer is "yes," type o	of consolidation	on					
	•								
If answer	is "no," list the	owners and tract desc	riptions whic	h have ac	tually been	consolida	ted. (Use reverse side of		
	f necessary.)								
No allowat	ole will be assign	ed to the well until al	l interests ha	ve heen c	onsolidated	(hy comm	nunitization, unitization,		
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APOLLO ENERGY, INC.

5014 CARLSBAD HIGHWAY

HOBBS, N.M. 88241

** JOINT INTEREST BILLING **

DECEMPER 31, 1985

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连加公司的联络 一天的现在分词

1.0. BOX 3 700 HABBU NATA ESDAG · 克里克克莱克拉尔斯 (1997年) 多。 1. (4.4) 19400 DIVINE "29" LEASE OPERATING EXPENSE 171 . 54 .a-de opeo ACP SPS $\cdot \cdot \cdot \cdot \cdot \cdot \cdot \cdot \mathbf{r}_{i_0}$ 131.73 .0/150000 ACP ADMINISTRATIVE On , is focoo ACP 345.,ST UNIQUE TOTAL REASE OPER FINE EXPENSE

ENDING BALANCE

TOTAL FOR DIVINE 15"

BOIDS PAREN WELL BEF III

APOLLO ENERGY, INC. P.O. BOX 5315 5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING ** JANUARY 31, 1986

PAGE 3

MO117 M.Y. MERCHANT 920 CAPROCK HOBBS, N.M. 88249 INVOICE NO. 19400-M0107-860180

	REFERENCE	YOUR X		PATOT	YOUR BHARE
19400 DIVINE "29"					
LEASE OPERATINE EXPENSE					
AXELSON DIVINE	871469	.15625000	ACP	64:49	10.08
BABER WELL SERVICE DIVINE	5660	.15625000	ACP	1,074.30	167.86
SPS		.15625000	ACF	man y y assert also y y y y y y y y hand also y y y y y	4.86
ADMINISTRATIVE OH		.15625000	ACP	234.00	36.88
UNIQUE		.15625000	ACP	145.95	22.80
TOTAL LEASE OPERATING N	EXPENSE			1,551.87	242.48
COTAL FOR DIVINE "29"			<u></u> .	(1,551.87)	242.48
ENDING BALANCE					242.45
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APOLLO ENERGY, INC. P.O. BOX 5315

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5014 CARLSBAD HIGHWAY HOBBS, N.M. 88241 ** JOINT INTEREST BILLING ** FEERUARY 28, 1985

PAGE 3

MD117 M.Y. MERCHANT

INVOICE NO. 18400-MODIVERSIDE.

920 CAPROCK HOBBS, N.M. 88240			2		
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TOTAL LEASE OPERATING EXPE	INSE				, A TOTAL
TOTAL FOR DIVINE "29"			2. 22 Hz	(-1.09)	64.55
ENDING BALANCE					64.55