

**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. 13911
ORDER NO. R-12748**

**APPLICATION OF APACHE CORPORATION TO AMEND THE SPECIAL
RULES AND REGULATIONS FOR THE SOUTH EUNICE-SAN ANDRES
POOL, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for consideration on April 17, 2007, at Santa Fe, New Mexico, on Applicant, Apache Corporation's Motion for Emergency Order.

NOW, on this 20th day of April, 2007, the Division Director, having considered the matter, and being fully advised,

FINDS THAT:

(1) By its application in this case, Apache Corporation (Apache) seeks an order amending or granting exceptions to Rule 2 of the Special Rules and Regulations for the South Eunice-San Andres Pool, to allow more than one well per quarter-quarter section.

(2) The following existing wells that are producing from the South Eunice-San Andres Pool exceed the limitation of one well per quarter-quarter section:

(a) In the N/2 NW/4 of Section 2, Township 22S, Range 37E, Lea County

New Mexico S State Well No. 42, API No. 30-025-37245

New Mexico S State Well No. 46, API No. 30-025-37603

New Mexico S State Well No. 56, API No. 30-025-38120

(b) In the S/2 NW/4 of Section 2, Township 22S, Range 37E, Lea County

New Mexico S State Well No. 47, API No. 30-025-37607
New Mexico S State Well No. 50, API No. 30-025-37668
New Mexico S State Well No. 48, API No. 30-025-37608
New Mexico S State Well No. 49, API No. 30-025-37609

(c) In the N/2 SW/4 of Section 2, Township 22S, Range 37E, Lea County

New Mexico S State Well No. 53, API No. 30-025-37671
New Mexico S State Well No. 43, API No. 30-025-37335

(3) In its Motion for Emergency Order filed April 17, 2007, Apache seeks an order allowing it to continue producing these wells until the hearing of this application.

(4) Apache alleges that shutting in these wells pending hearing of this matter will damage the wells, and thus cause waste.

(5) No person has yet protested this application.

(6) The requested emergency order should be granted to preserve the status quo until the application can be heard on its merits.

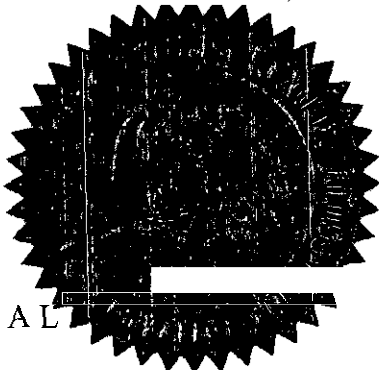
IT IS THEREFORE ORDERED THAT:

(1) Apache may continue to produce the above-described wells from the South Eunice-San Andres Pool until the hearing of this application, presently scheduled for May 10, 2007, takes place, unless otherwise ordered by the Division Director.

(2) The hearing examiner who presides over the hearing of this case shall have discretion to decide at the hearing whether or not to extend this order after the conclusion of the hearing, pending issuance of a final order by the Division in this case.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Director