



TWO WARREN PLACE, SUITE 1500 / 6120 SOUTH YALE / TULSA, OK 74136-4224

(918) 491-4900
FAX: (918) 491-4853
FAX: (918) 491-4854

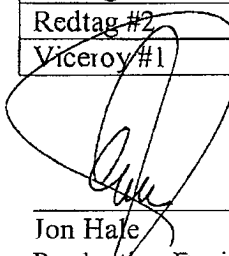
November 21, 2006

New Mexico Oil Conservation Division
1625 N French Drive
Hobbs, NM 88240

To: Chris Williams
Cc: Donna Mull

This letter is to verify that Apache Corporation, as the new operator of these wells acquired from Capataz Operating Inc, will perform the following work. Each well will be tested in the Abo. If the Abo is found not to be productive, it will be isolated from existing production. If the Abo is found to be productive, the new test information will be submitted to the NMOCD and Apache will request a DHC to include the Abo.

Bull Durham #2	30-025-34363	O-14-20S-38E
House #1	30-025-31006	D-13-20S-38E
Merrit II #1	30-025-35448	G-11-20S-38E
Pall Mall #1	30-025-34634	A-14-20S-38E
Picayune #1	30-025-34734	J-11-20S-38E
Redtag #1	30-025-35333	J-2-20S-38E
Redtag #2	30-025-35630	K-2-20S-38E
Viceroy #1	30-025-34625	E-13-20S-38E



Jon Hale
Production Engineering Manager, Central Region
Apache Corporation
(918) 491-4940