

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Apache Corporation Two Warren Place, Suite 1500 Tulsa, OK 74136-4224		OGRID Number 873
		API Number 30-25-36115
Property Code 23113	Property Name STATE C TRACT 12	Well No. 012

Surface Location

UL or Lot E	Section 16	Township 21S	Range 37E	Lot Idn	Feet From 1330	N/S Line N	Feet From 330	E/W Line W	County Lea
----------------	---------------	-----------------	--------------	---------	-------------------	---------------	------------------	---------------	---------------

Proposed Pools

PENROSE SKELLY;GRAYBURG 50350

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 3476
Multiple N	Proposed Depth 4125	Formation Grayburg	Contractor	Spud Date 1/27/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	325	0
Prod	7.875	5.5	17	4125	825	0

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	3000	Schaefer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Larry Rader

Title: Technical Coordinator

Date: 1/14/2003

Phone: 918-491-4811

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 1/22/2003

Expiration Date: 1/22/2004

Conditions of Approval:

There are conditions. See Attached.

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36115	Pool Name PENROSE SKELLY;GRAYBURG	Pool Code 50350
Property Code 23113	Property Name STATE C TRACT 12	Well No. 012
OGRID No. 873	Operator Name Apache Corporation	Elevation 3476

Surface And Bottom Hole Location

UL or Lot E	Section 16	Township 21S	Range 37E	Lot Idn	Feet From 1330	N/S Line N	Feet From 330	E/W Line W	County Lea
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Larry Rader

Title: Technical Coordinator

Date: 1/14/2003

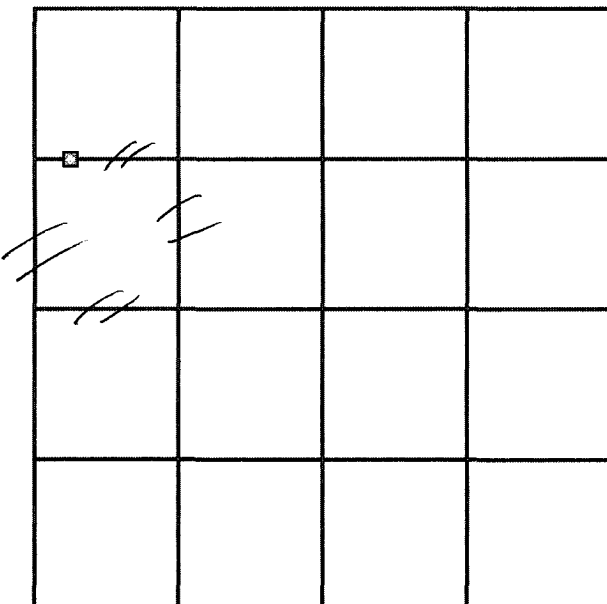
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Electronically Signed By: RONALD EIDSON

Date of Survey: 11/27/2002

Certificate Number: 3239



APD Comments**Operator: 873 Apache Corporation****Well: STATE C TRACT 12 012**

User Name	Comment	Comment Date
LERADER	We have filed the NSL application on this well and will fax a copy of this application to the District Office. Please note that of the 2 wells currently in this spacing unit that last production from the State C Tract 12 #3 was in 1988. The existing well State C Tract 12 #11 will not drain the entire 40 acre SPU. We are proposing to drill the subject well (State C Tract 12 #12) and share the oil allowable with the existing #11 well.	1/13/2003
LERADER	We have filed the NSL application on this well and will fax a copy of the application to the District Office. Please note that of the 2 wells currently in this spacing unit that last GRAYBURG production from the State C Tract 12 #3 was in 1988. The existing well State C Tract 12 #11 will not drain the entire 40 acre SPU. We are proposing to drill the subject well(State C Tract 12 #12) and share the oil allowable with the existing #11 well.	1/14/2003

APD Conditions Of Approval**Operator: 873 Apache Corporation****Well: STATE C TRACT 12 012**

OCD Reviewer	Condition
DMULL	
DMULL	NSL-4831 (SD) Grayburg, 1330/N & 330/W, Shares with #11
DMULL	Holding waiting on NSL order approval from Santa Fe.