

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, 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-101
June 16, 2008

RECEIVED

AUG 06 2010

HOBBSOCD

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Apache Corp 303 Veterans Airpark Ste 3000 Midland TX 79705		² OGRID Number 873
		³ API Number 30 - 025-38120
⁴ Property Code 34816	⁵ Property Name New Mexico State	⁶ Well No. 56
⁹ Proposed Pool 1 Eunice; San Andres, South (24170)		¹⁰ Proposed Pool 2 Penrose Skelly; Grayburg (50350)

⁷ Surface Location

UL or lot no C 3	Section 2	Township 22S	Range 37E	Lot Idn	Feet from the 990	North/South line North	Feet from the 1650	East/West line West	County Lea
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code RCRA	¹² Well Type Code O	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3363'
¹⁶ Multiple	¹⁷ Proposed Depth 4400'	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 10/1/2006

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
NC					

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Apache would like to recomplete the Grayburg, per the following procedure with the intent of DHC with the San Andres.

- 1) Set CBP @ 4170'
- 2) Perforate and acidize San Andres
- 3) Set CBP @ 3810'
- 4) Perforate, acidize and frac Grayburg
- 5) DO CBP's @ 3810' & 4170'
- 6) Commingle San Andres and Grayburg, upon approval

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Adding

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Reesa Holland

Printed name: Reesa Holland

Title: Sr. Engineering Tech

E-mail Address: Reesa.Holland@apachecorp.com

Date: 08/02/2010

Phone: 432/818-1062

OIL CONSERVATION DIVISION

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date:

AUG 12 2010

Expiration Date:

Oil Conservation Division

Conditions of approval : Approval for drilling/workover ONLY-- CANNOT produce Downhole Commingled until DHC is approved in Santa Fe.

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38120	Pool Code 50350 ✓	Pool Name PEUROSE SKELLY; GRAYBURG
Property Code 34816	Property Name NEW MEXICO STATE (S)	Well Number 56
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3363'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C/3	2	22-S	37-E		990	NORTH	1650	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
39.78 AC	39.76 AC	39.76 AC	39.74 AC

1650'

990'

GEODETIC COORDINATES
NAD 27 NME

Y=520498.3 N
X=869294.8 E

LAT.=32.425277° N
LONG.=103.136520° W

LAT.=32°25'31" N
LONG.=103°08'12" W

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Reesa Holland 8/4/10
Signature Date

REESA HOLLAND
Printed Name

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.

JUNE 22, 2006

Date Surveyed JR

Signature & Seal of Professional Surveyor

Ronald J. Eidson 6/30/06
06.11.1059

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

DISTRICT I
1825 N. FRENCH DR., HOBBS, NM 88240

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

AUG 06 2009

OIL CONSERVATION DIVISION

Revised October 12, 2005
Submit to Appropriate District Office

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

HOBBS

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38120	Pool Code 24170	Pool Name EUWILE; SAN ANDRES, SOUTH
Property Code 34816	Property Name NEW MEXICO STATE "S"	Well Number 56
GRID No. 873	Operator Name APACHE CORPORATION	Elevation 3363'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	2	22-S	37-E		990	NORTH	1650	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
39.78 AC	39.76 AC	39.76 AC	39.74 AC
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=520498.3 N X=869294.8 E</p> <p>LAT.=32.425277° N LONG.=103.136520° W</p> <p>LAT.=32°25'31" N LONG.=103°08'12" W</p>			
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Reesa Holland 8/4/10 Signature Date</p> <p>REESA HOLLAND Printed Name</p>			
<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JUNE 22, 2006</p> <p>Date Surveyed JR</p> <p>Signature & Seal of Professional Surveyor</p> <p>Ronald J. Eidson 6/30/06 06.11.1059</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>			