

District I
P.O. Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

1 Operator Name and Address Apache Corporation 2000 Post Oak Blvd. Ste. 100 Houston, Texas 77056-4400		2 OGRID Number 873
4 Property Code 22879		3 API Number 30-025-35638
5 Property Name Owen "B"		6 Well No. 10

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
M	34	21-S	37-E		1137	South	495	West	Lea

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
L	34	21S	37E		1980	South	660	West	Lea

9 Proposed Pool 1

10 Proposed Pool 2

Blinebry Oil and Gas (Pro Gas) (72480)

11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code P	15 Ground Level Elevation 3444' KB
16 Multiple 5900' TVD	17 Proposed Depth	18 formation Blinebry	19 Contractor	20 Spud Date ASAP

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24# K55 STC	1300' (50' into Anhydrite)	585 sxs	Circulate to Surf
7 7/8"	5 1/2"	17# J55 LTC	5900'	477 sxs Class	Circulate to Surf
				"C"	
				+360 sxs 50/50	
				Poz mix	

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.

Propose to drill 12 1/4" hole to 1300' or 50' into Anhydrite Formation, run & set 1300' of 8 5/8" and cement,

Lead: 400 sxs Class "C" + 2% calcium chloride + 0.25 lb/sx cello flake + 0.005% gps FP-6L + 6% bentonite.

Tail: 185 sxs Class "C" + 2% calcium chloride + 0.005 gps FP-6L.

Drill 7 7/8" hole to 5900', run & set 5900' of 5 1/2" and cement. **Lead:** 477 sxs 35:65 POZ: Class "C" + 5% sodium chloride

+0.25 lb/sx cello flake + 0.005 gps FP-6L + 8% bentonite. **Tail:** 300 sxs 50:50 POZ: Class "H" + 5% sodium + .25 lb/sx cello flake

+1% FL-25 + 0.005 gps FP-6L + bentonite.

Blow Out Prevention: See attached copy

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

Signature: <i>Harold Swain</i>	OIL CONSERVATION DIVISION	
Printed Name: Harold Swain	Approved by:	
Title: Engineering Technician	Title:	
7/16/2001	Approval Date: JUL 16 2001	Expiration Date:
Phone: 505-390-4368	Conditions on Approval:	

J
C
A

8 mp

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

District II
P O Drawer DD, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Geology, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Instruction on Back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

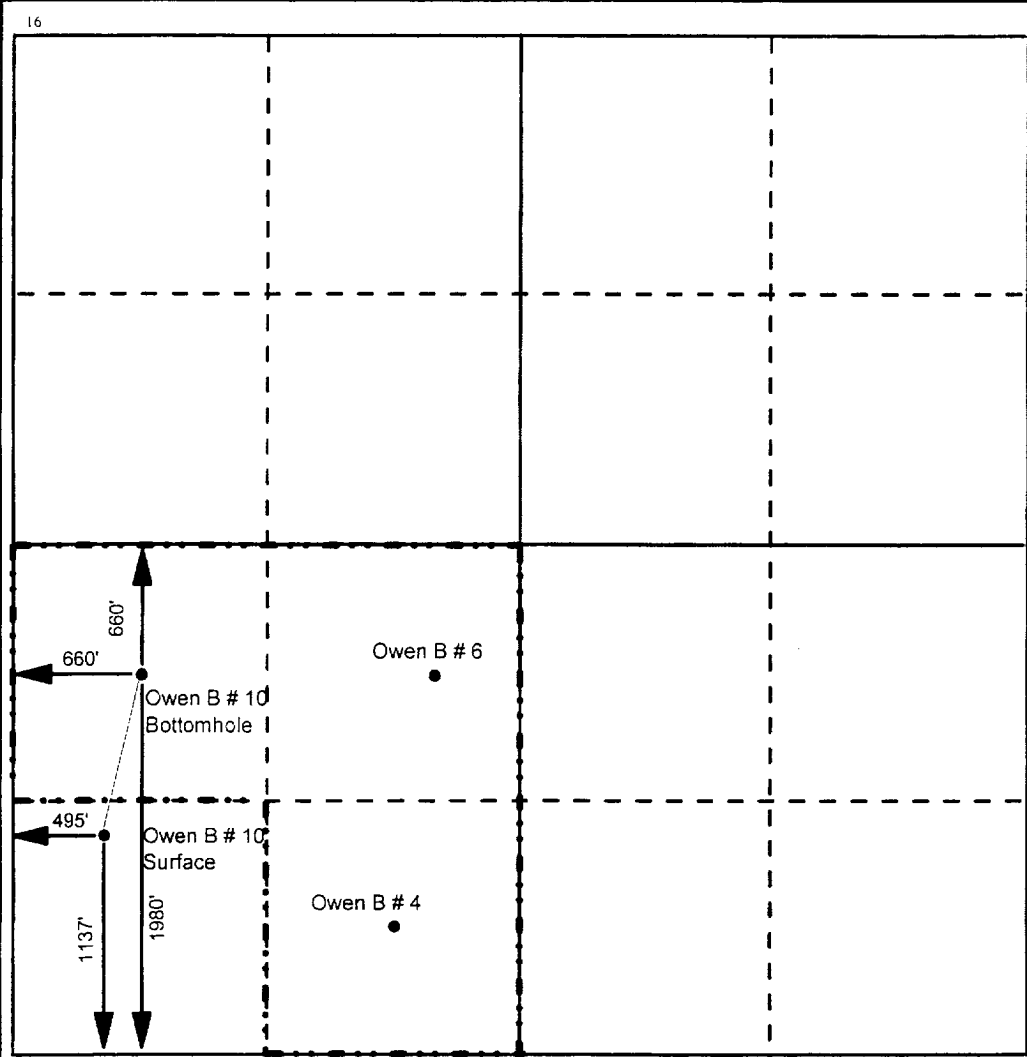
1 API Number 30-025- 35638		2 Pool Code 72480		3 Pool Name Blinebry Oil and Gas (Pro Gas)	
4 Property Code 22879		5 Property Name Owen 'B'			6 Well Number 10
7 OGRID No. 000873		8 Operator Name Apache Corporation			9 Elevation 3444

10 Surface Location									
UL or Lot No. M	Section 34	Township 21S	Range 37E	Lot Idn	Feet from the 1137	North/South line South	Feet from the 495	East/West line West	County Lea

11 Bottom Hole Location If Different From Surface									
UL or Lot No. L	Section 34	Township 21S	Range 37E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 660	East/West line West	County Lea

12 Dedicated Acres 120	13 Joint or Infill	14 Consolidation Code	14 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



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

Signature
Harold Swain

Printed Name
Eng. Tech

Title
7/18/01

Date

18 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.

Date Surveyed

Signature and Seal of Professional Surveyor

Certificate Number

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1984
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025	Pool Code 72480	Pool Name Blinebry Oil and Gas (Pro Gas)
Property Code 22879	Property Name OWEN "B"	Well Number 10
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3444

Surface Location

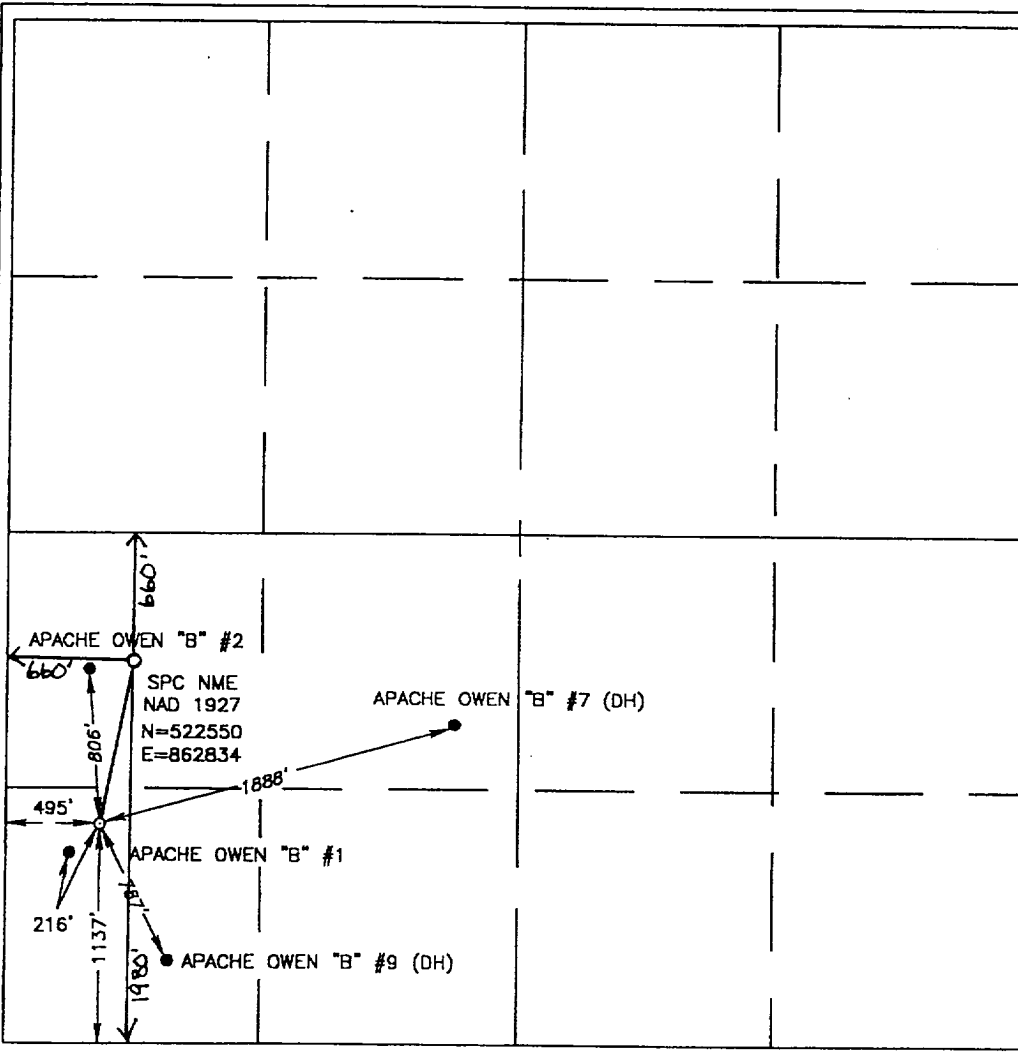
UL or lot No. M	Section 34	Township 21 S	Range 37 E	Lot Idn	Feet from the 1137	North/South line SOUTH	Feet from the 495	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

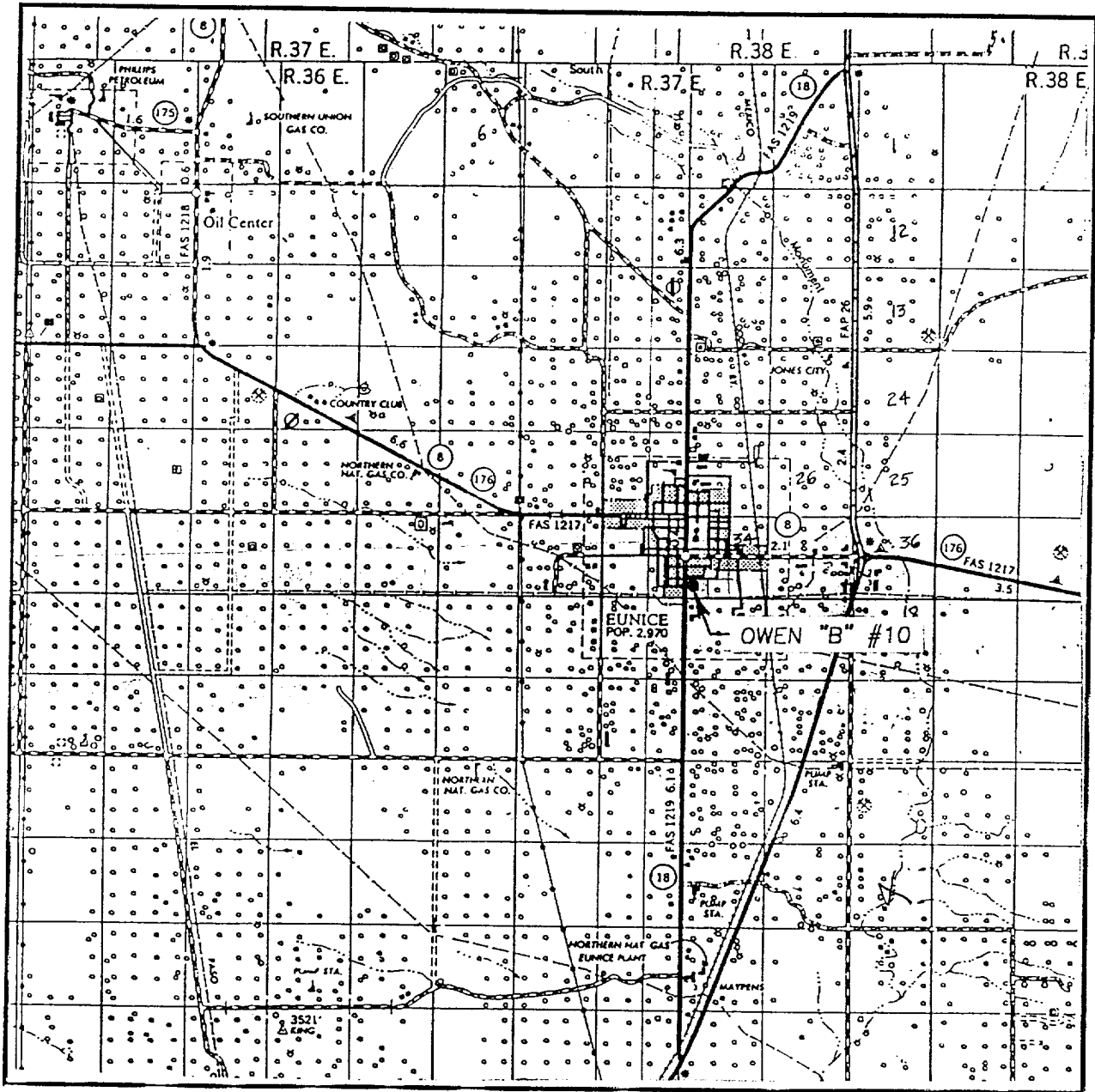
UL or lot No. L	Section 34	Township 21S	Range 37E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 660	East/West line West	County Lea
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Dedicated Acres 120	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Harold Swain</i> Signature Harold Swain Printed Name Eng. Tech Title 7/18/01 Date</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>NOVEMBER 10, 2000</p> <p>Date Surveyed LMP Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 7/18/01 QQ-11-1458 Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641</p>
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VICINITY MAP

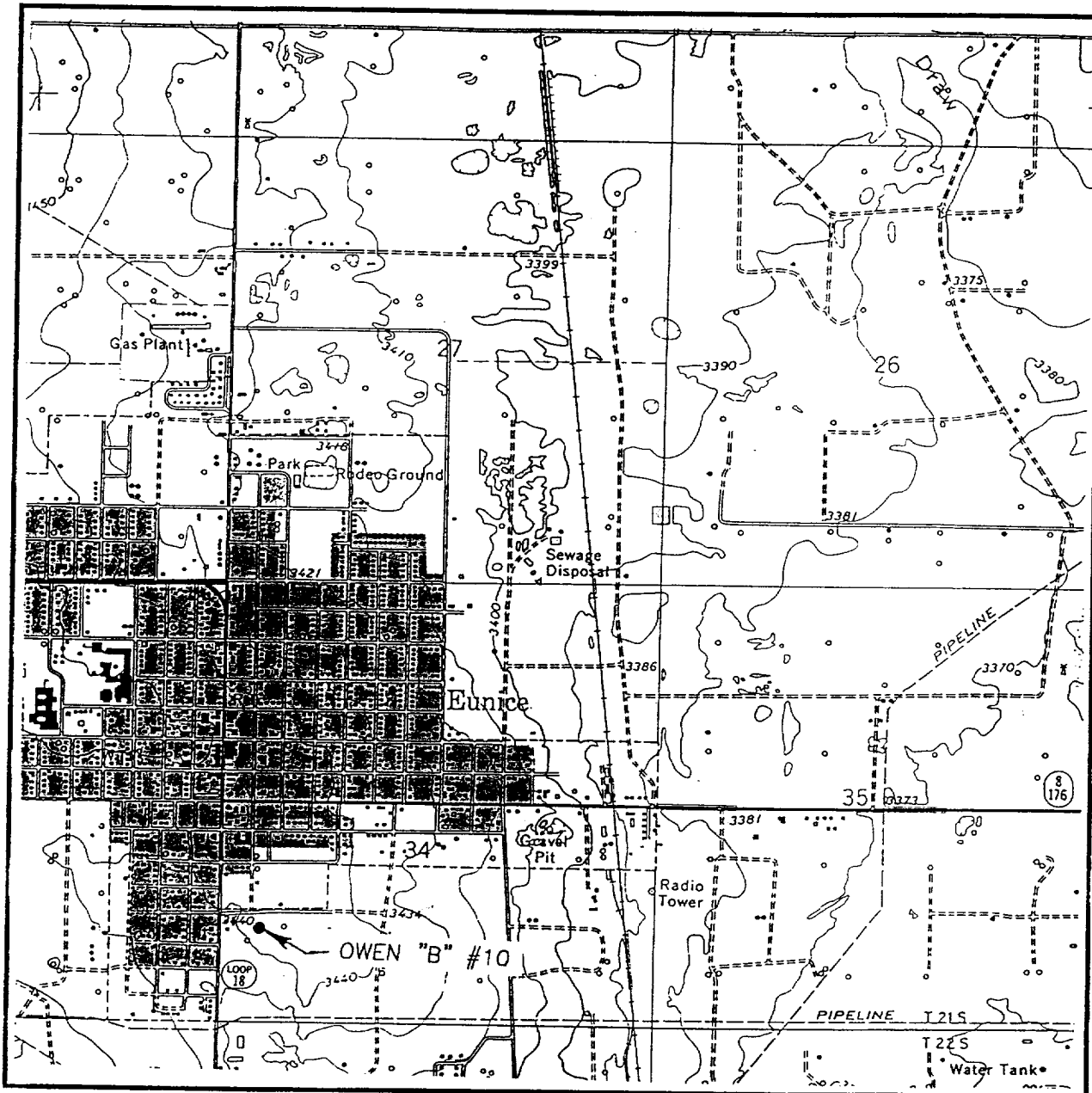


SCALE: 1" = 2 MILES

SEC. 34 TWP. 21-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1137' FSL & 495' FWL
 ELEVATION 3444
 OPERATOR APACHE CORPORATION
 LEASE OWEN "B"

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
EUNICE - 10'

SEC. 34 TWP. 21-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1137' FSL & 495' FWL

ELEVATION 3444

OPERATOR APACHE CORPORATION

LEASE OWEN "B"

U.S.G.S. TOPOGRAPHIC MAP

EUNICE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

June 27, 2001

Lori Wrotenbery

Director

Oil Conservation Division

RECEIVED

JUL 6 9 2001

SOUTHERN REGION
PRODUCTION DEPT

Apache Corporation

2000 Post Oak Boulevard - Suite 100

Houston, Texas 77056-4400

Attention: Debra J. Anderson

RE: NMOCD Correspondence Reference No. SD-01-03: *Blinebry Oil and Gas Pool gas development within an existing non-standard 120-acre gas spacing and proration unit ("GPU") comprising the W/2 SW/4 and SE/4 SW/4 of Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.*

Dear Ms. Anderson:

Reference is made to your letter dated May 8, 2001 notifying the New Mexico Oil Conservation Division's ("Division") Santa Fe office of Apache Corporation's plans for further Blinebry gas development within the above-described 120-acre GPU, which was approved by Division Administrative Order NSP-1823 (L) (SD), dated July 6, 2000, as corrected by order dated May 22, 2001.

The rules currently governing directional drilling, spacing, well locations, and allowables for the Blinebry Oil and Gas Pool include, but not necessarily limited to:

- (a) "Special Rules and Regulations for the Blinebry Oil and Gas Pool", as promulgated by Division Order No. R-8170, as amended; and
- (b) Division Rules 104, 605, 111.A (7), and 111.C (1).

direct
to the office

It is our understanding that gas production attributed to the Blinebry Oil and Gas Pool within this 120-acre GPU is to be simultaneously dedicated to the following three wells:

- (1) the existing Owen "B" Well No. 4 (API No. 30-025-06999), located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 34;
- (2) the existing Owen "B" Well No. 6 (API No. 30-025-34321), located at an unorthodox gas well location [also approved by Division Administrative Order NSP-1823 (L) (SD)] 1980 feet from the South line and 2180 feet from the West line (Unit K) of Section 34; and

SD-01-03

Apache Corporation

June 27, 2001

Page 2

(3) the proposed Owen "B Well No. 10 to be directionally drilled from a surface 1137 feet from the South line and 495 feet from the West line (Unit M) of Section 34 to a targeted standard bottomhole gas well location that is to be approximately 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 34.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs
File: NSP-1823 (L) (SD)

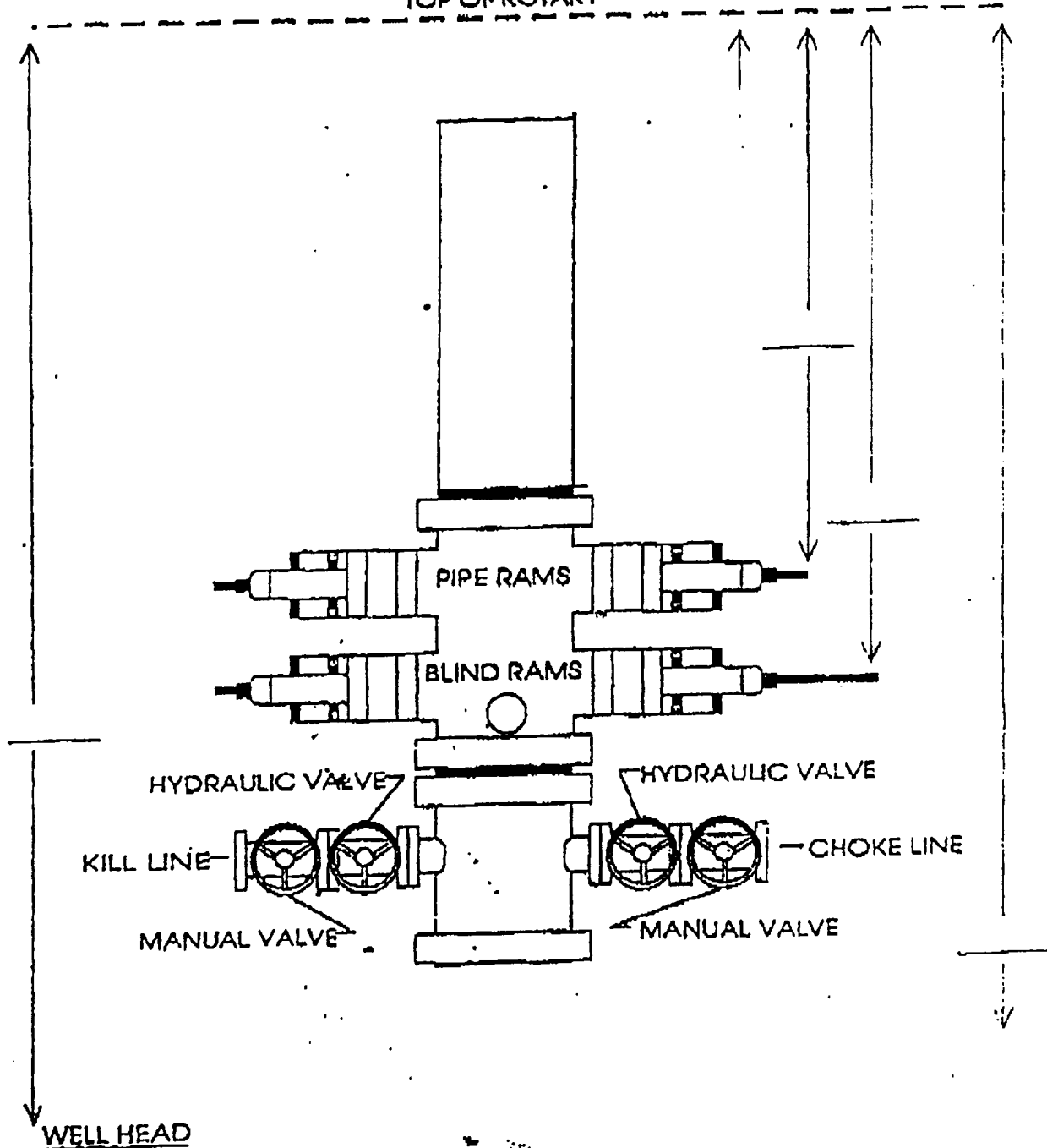
EXHIBIT "H-1"
B.O.P. STACK SPACING

AHEP-3187

SIZE: 11" 3000

~V~
Rig 5

TOP OF ROTARY



WELL HEAD

WELL _____ CONTRACTOR _____

ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

ELF

11/13/61