Form 3160-3 (July 1992)	DEPARTMENT OF T	ATES MOBBS, M THE INTERIOR	SUBMIT IN TRI (Other Instructio feverse side	ATE *	FORM APPROV OMB NO. 1004-0 Expires: February 2 5LEASE DESIGNATION AND S	)136 8, 1995	
	BUREAU OF LAND M				NM-2512		
APPLI 14 TYPE OF WORK	CATION FOR PERMIT	T TO DRILL OR	DEEPEN		6F INDIAN, ALLOTTEE OR T N/A	RIBE NAME	
DRI					7. UNIT AGREEMENT NAME		
b. TYPE OF WELL		L			NE Drinkard		
OEL X GAS	· ·	SINGLE	MULTIPLE		8. FARM OR LEASE NAME, WI # 226	ELL NO.	
WELL WELL	2000 POST OAK, SUIT	ZONE	ZONE		9 ADIWELL NO		
2. NAME OF OPERATOR Apache Corporat		100			30-025-343	80	
3. ADDRESS AND TELEPHONE	NO.	·····		····	10. FIELD AND POOL OR WILI	CAT	
c/o J. O. Easley, In	nc., P. O. Box 245, Artesia	, NM 88211 (505)	746-1070-0		Eunice -Blinebry -Tubb -Dri	nkard North	
4. LOCATION OF WELL (Repo	rt location clearly and in accordance w	vith any State requirements		<u>50</u>	11. SEC., T., R., M., OR BLK.		
	' FSL & 1266' FEL, Unit I 2449' FSL & 1266' FEL,		E APPROVAL	A	AND SURVEY OR AREA 3, 21S-37E, N	МРМ	
At proposed prod. Zone	2449 FSL & 1200 FEL,	Unit <b>By</b>	STATE FOR	TAL	J, 210-J7L, IN	.1v1.1 .1v1.	
	DIRECTION FROM NEAREST TOWN OR	POST OFFICE*	THURADAA	N	12. COUNTY FOR PARISH	13.STATE	
$\pm$ 5.0 miles north			U. OF ACKES IN LEASE	<u> </u>	Lea	NM	
LOCATION TO NEA	REST				THIS WELL		
PROPERTY OR LEA			708.67		40		
(Also to nearest da 18. DISTANCE FROM F	flg, unit line, if any) PROPOSED LOCATION *	19. P.	ROPOSED DEPTH	20. RC	DTARY OR CABLE TOOLS	<u> </u>	
	L, DRILLING, COMPLETED 66		6800'		Rotary		
OR APPLIED FOR,	ON THIS LEASE, FT.	<u> </u>			22. APPROX. DATE WORK WILL START *		
21. ELEVATIONS (Sho	w whether DF, RT, GR, etc.) 3465'			22	ASAP		
······				0 0 0 0 0 0 0 0 0 0 0			
i					LED WATER BA		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEMI		
17 1/2 "	13 3/8 " H-40 ST&C	48#	40'	K	eady-Mix Circulate t		
12 1/4 "	8 5/8 K-55 ST&C	24#	1365'	4	Z circular		
7 7/8 "	5 ½ " K-55 LT&C	17#	6800' ROVAL SUBJEC	P	20 sxs Hal. Lit. + 32 ozmix circulate to st		
See attached for c		16) days GEN hty (20) days SPE n ATT/ "C": Surface Use	ERAL REQUIRE CIAL STIPULAT ACHED Plan	EMENTS IONS Exhibit	t "F": Existing Well I	Plat	
	ing Program Exhibit '	-			"G": Rig Layout		
Schibit "B": H2S	PIAN EXHIDIT RIBE PROPOSED PROGRAM: If propos	"E": Vicinity Plat al is to deepen, give data or				posal is to drill or	
deepen directionally, g	ive pertinent data on subsurface location	ons and measured and true	vertical depths. Give blow	wout prever	nter program, if any.		
signed Mich	hul R. Burch, CPL	TITLE Ager	<u>it for Apache Con</u>	poration	DATE <u>3-1</u>	9-98	
(This space for Feder	ral or State office use)						
PERMIT NO.			APPROVAL DATE				
operations thereon.	does not warrant or certify that the ap	oplicant holds legal or equit	able title to those rights in	n the subject	t lease which would entitle the a	pplicant to conduct	
CONDITIONS OF APPI	KUVAL, IF APTT	1	(	6 IA	1.50%		
APPROVED BY (OF	IG. SGD.) ARMANDO A. LOPEZ		7 MAINER	ials_	DATE C < <u>?</u>	<u></u>	
	n 1001, makes it a crime for any pe or representations as to any matter	erson knowingly and willfu	s' On Reverse Side Illy to make to any depa	irtment or a	agency of the United States a	ny false, fictitious t	
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ROSINELL, NM ROSINELL MAG 23 .08 RECEIVED

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#### EXHIBIT "A"

## <u>CONDITIONS OF APPROVAL FOR NOTICE TO DRILL</u> <u>EIGHT-POINT DRILLING PLAN</u>

## COMPANY: <u>APACHE CORPORATION</u> WELL NO.:<u>NORTH EAST DRINKARD UNIT #226</u>

## LOCATION: <u>2449 FSL</u>, <u>1266 FEL</u> Sec. <u>3-T21S-R37E</u> LEASE NO.: <u>NM 2512</u>

#### LEA COUNTY, NEW MEXICO

#### **DRILLING PROGRAM:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43CFR 3160), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

#### 1. Surface Formation and Estimated Formation Tops:

Ground Elevation (ungraded) 3465'	KB 3476'	
	Depth	<u>Subsea</u>
Quaternary alluvials	Surface	
Rustler	1365'	2111'
Yates	2775'	701'
Seven Rivers	3025'	451'
San Andres	4200'	-724'
Glorieta	5468'	-1992'
Paddock	5550'	-2074'
Blinebry	5600'	-2124'
Tubb	6130'	-2654'
Drinkard	6470'	-2994'
Total Depth	6800'	-3324'

# 2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are expected to be encountered:

Expected Oil zones:	Blinebry	5600'
	Tubb	6130'
	Drinkard	6470'
Expected Gas zones:	None	
Expected Water zones:	None	

Conditions of Approval for Notice to Drill Eight-Point Drilling Plan North East Drinkard Unit

All fresh water and prospectively valuable minerals (as described by BLM) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows within zones of corrrelative rights will be tested to determine commercial potential.

## 3. Pressure Control Equipment:

A double gate hydraulic BOP, Shaffer type LWS, (or equivalent) with pipe rams and blind rams will be installed (Exhibit A). The ram preventers will be tested to approved stack working pressure (2000 psi) and isolated by a test plug. Operational checks will be made daily or on trips. A standard rotating head will be installed on top of the BOP stack.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings, which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

## 4. Casing Program and Auxiliary Equipment:

Conductor Casing:40' of 13-3/8", 48lbs/ft, H-40 ST&C casing from 40' to surface.<br/>Cement with Ready-Mix to Surface.Surface Casing:1365' of 8-5/8", 24lbs/ft, K-55 ST&C new casing from 1365' to<br/>surface. Cement with 300 sxs Halliburton Permian Basin<br/>Critical Zone Cement mixed 12.8 PPG followed by 100 Sxs<br/>Halliburton Permian Basin Critical Zone Cement mixed 13.5<br/>PPG. Circ cement to Surface. One 8-5/8" guide shoe and insert<br/>float valve will be used for cementing. Seven centralizers will be

run starting on shoe joint and evenly spaced.

Production Casing: 6,800' of 5-1/2", 17 lbs/ft, K-55 LT&C new casing will be set and cemented with 520 sxs Halliburton Light Premium with additives and 320 sxs 50/50 Pozmix Cement-Premium w/ additives to provide 200' overlap into 8-5/8"casing. One 5-1/2" float shoe and insert float will be used for cementing.

Auxiliary equipment will be an upper kelly cock, drill pipe floats; a full opening stabbing valve will be on the floor at all times.

Conditions of Approval for Notice to Drill Eight-Point Drilling Plan North East Drinkard Unit

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Authorized Officer (AO) will be notified within 24 hours prior to running all casing strings and cementing in order to have a BLM representative on location.

## 5. Mud Program and Circulating Medium:

#### A. Surface (0'-1365'):

**Properties** : MW: 8.6-9.2; Vis: 32-36; WL: N/C ;pH: 9-10 **Remarks**: Spud with fresh water Gel and Lime. Mix Paper for seepage. Use lime to control pH. Circulate the redbed portion of reserve for gravitational solids control. Run fresh water for volume and viscosity control.

## B. **Production**(1365'-5400'):

**Properties** :MW: 10-10.1; Vis: 28-29; WL: N/C ;pH: 9-10 Remarks: Drill out with saturated brine. Circulate brine portion of the reserve. Use mix lime for pH control and Paper for seepage. Maintain a supply of medium & coarse LCM on location because of potential loss in the Seven Rivers & San Andres.

## C. Production (5400'-6800'): logging & casing

**Properties :**MW: 10.0-10.2; Vis: 34-38; WL: 10-12 ; pH: 9-10 **Remarks**: Return to working pits. Use Soda Ash to reduce the total hardness to below 200 ppm. Discontinue the use of Lime and begin mix of Caustic Soda to control pH. Mix Salt Water Gel for vis. and Starch to control filtration. Small quantities of defoamer may be required while mixing starch. Add Xcide-102 to retard spoilage of the Starch. Use mica as needed for seepage loss.

Standard mud checks will be conducted by the mud contractor. LCM of different types will be on location. Mud will be visually monitored daily.

#### 6. Coring, Logging and Testing Program:

- a. No cores are planned at this time.
- b. No DST's are planned at this time.
- c. Logging Program: DLL & MSFL/GR/CAL TD -≈ 5400' FDC/CNL TD -≈ 5400' CBL TD-bottom of surface casing, unless cement is circulated to surface.

d. Water produced during testing will be contained in the temporary reserve pit.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, well test data, geologic summaries, sample description and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

#### 7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

No abnormal temperatures or pressures are anticipated. Anticipated bottom hole pressure is 400 psi- 1200 psi.

 $H_2S$  may be expected at approximately 4200' and safety equipment will be in operation out from under surface casing. A Hydrogen Sulfide ( $H_2S$ ) contingency plan is being prepared by an independent Safety Company and will be submitted under separate cover for review and approval.

## 8. Anticipated Starting Dates and Notifications of Operations:

Construction Date:	Aril 25, 1998
Spud Date:	May 1, 1998

No location will be constructed or moved, no well will be plugged and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 24 hours prior to spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed by a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed in duplicate to the Minerals Management Service.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

Should the well will be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by fax or other Conditions of Approval for Notice to Drill Eight-Point Drilling Plan North East Drinkard Unit

written communication, no later than 5 days following the date on which the well is placed on production.

Consistent with Onshore Oil and Gas Order No. 7, with the approval of the AO, produced water may be temporarily disposed of into unlined pits for period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the AO.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 362.7-3, and 3162-7.4 shall be submitted to the AO within 30 days of installation of first production. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandoned operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment", Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operations have the responsibility to see that their exploration, development, production and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

David M. Talbott Western Region Drilling Manger

APACHE CORPORATION NORTH EAST DRINKARD UNIT #226 LOCATION: 2449 FSL, 1266 FEL Sec. 3-T21S-R37E LEASE NO.: NM 2512 LEA COUNTY , NEW MEXICO

### EXHIBIT "B"

#### HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

## I. <u>Hydrogen Sulfide Training</u>

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- 1. The hazards and characteristics of hydrogen sulfide  $(H_2S)$ .
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of  $H_2S$  detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the  $H_2S$  Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable  $H_2S$  zone (within 3 days or 500 feet) and weekly  $H_2S$  and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific  $H_2S$  Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

#### II. H<sub>2</sub>S Safety Equipment and Systems

Note: All  $H_2S$  safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating, the first zone containing, or reasonably expected to contain,  $H_2S$ .

- 1. Well Control Equipment:
  - A. Flare line with electronic igniter or continuous pilot.
  - B. Choke manifold with a minimum of one remote choke.
  - C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
  - D. Auxiliary equipment to include annular preventer, mud-gas separator, rotating head, and flare gun with flares.
- 2. Protective equipment for essential personnel:
  - A Mark II Surviveair 30-minute units located in the dog house and at briefing areas, as indicated on Exhibit "G".
- 3.  $H_2S$  detection and monitoring equipment:
  - A Two portable H<sub>2</sub>S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H<sub>2</sub>S levels of 20 ppm are reached.
  - B One portable S02 monitor positioned near flare line.
- 4. Visual warning systems:
  - A. Wind direction indicators as shown on Exhibit "G".
  - B Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.
- 5. Mud program:
  - A. The mud program has been designed to minimize the volume of  $H_2S$  circulated to the surface. Proper mud weight, safe drilling practices, and the use of  $H_2S$  scavengers will minimize hazards when penetrating  $H_2S$ -bearing zones.
  - B. A mud-gas separator and an  $H_2S$  gas buster will be utilized.

- 6. Metallurgy:
  - A. All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for  $H_2S$  service.
  - B. All elastomers used for packing and seals shall be  $H_2S$  trim.
- 7. Communication:
  - A. Radio communications in company vehicles including cellular telephone and 2-way radio.
  - B. Land Line (telephone) communications at field office.
- 8. Well testing:
  - A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours, and formation fluids will not be flowed to the surface. All drill stem testing operations conducted in an  $H_2S$  environment will use the closed chamber method of testing.

## EXHIBIT "C"

## SURFACE USE AND OPERATIONS PLAN

## CULTURAL RESOURCES SURVEY

## APPROXIMATE REHABILITATION SCHEDULE

#### LOCALITY: NORTH EAST DRINKARD UNIT # 226

## LOCATION: NE¼SE¼ OF SECTION 3, T21S-R37E, N.M.P.M. LEA COUNTY, NEW MEXICO

## OPERATOR: APACHE CORPORATION

SUBMITTED TO:

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

ROSWELL AREA OFFICE

2909 W 2<sup>nd</sup> STREET

ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 627-0272

This plan is submitted to provide permitting agencies with information necessary to allow an appraisal of the environmental effects associated with the proposed drilling operations. Within the context of typical drilling operations, this plan provides for protection of surface resources and other environmental components. This plan has been developed in conformity with the United States Geological Survey NTL-6 guidelines, Bureau of Land Management Oil and Gas Order No. I, and in connection and consultation with the private surface owner of record, if other than the United States of America, as well as the Carlsbad Area Resource Office for the Bureau of Land Management and the United States Department of the Interior personnel.

#### <u>PART #1</u>:

1) <u>Surface Location</u>

NE/4SE/4 of Section 3, Township 21 South, Range 37 East, N.M.P.M. Lea County, New Mexico 2449' FSL and 1266' FEL, Unit I See attached Exhibit "C"

2) Bottom Hole Location:

NE/4SE/4 of Section 3, Township 21 South, Range 37 East, N.M.P.M. Lea County, New Mexico 2449' FSL and 1266' FEL, Unit I See attached Exhibit "C"

- 3) Leases Issued:
  - a) NM-2512
- 4) <u>Record Lessee:</u>
  - a) Conoco, Inc. 25% Amoco Production Co. 25% Atlantic Richfield Co. 25% Chevron U.S.A. 25%

- 5) <u>Acres in Lease:</u>
  - a) Section 3 : Lots 1, 2, 3, 4, 7, 8, 12, 15, 16, N/2SE/4, SE/4SE/4 Section 10: E/2NW/4, NW/4NE/4, S/2NE/4 Total Acres: 708.67

#### 6) Acres Dedicated to Well:

There are 40.00 acres dedicated to this well within the NE¼SE¼ of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico.

#### PART #2:

#### 1) Existing Roads:

Exhibit "E" is a map showing the location of the proposed well, as staked, in relation to existing roads and State Highway 18. The well is  $\pm$  5.0 miles north of Eunice, New Mexico. From Eunice, New Mexico, go north approximately 5.0 miles on State 18. Turn north on lease road and go approximately 1/4 mile, turn northeast on access road and go approximately 1/8 mile to location.

### 2) <u>Planned Access:</u>

A. <u>Length and Width:</u> A 594' road 20' wide will be constructed from the existing access road south to the well site. Extra width may be needed in the turns.

Application for a buried pipeline will be made if it becomes necessary.

- B. <u>Construction</u>: The new road will be 20' wide with a center crown, with 6 inches compacted caliche. The existing roads will be lightly graded and topped with compacted caliche as needed.
- C. <u>Turnouts:</u> None required.
- D. <u>Culverts:</u> None required.
- E. <u>Cuts and Fills</u>: As needed.
- F. <u>Gates and Cattleguards</u>: None required.

## 3) Location of Existing Wells:

Existing wells within a one-mile radius of the proposed well are shown on Exhibit "F".

## 4) Location of Existing and/or Proposed Facilities:

A. There are production facilities within the area of the NE Drinkard Unit. See Exhibit "F".

B. If the oil well proves to be commercial, any necessary production facilities will be installed on the drilling pad, and flow lines will be installed along the proposed and existing roads to the production facilities and storage tanks.

## 5) Location and Type of Water Supply:

The Apache Corporation plans to drill the proposed well with fresh and brine water which will be obtained from commercial sources. The water will be transported over proposed and existing access roads.

### 6) <u>Source of Construction Materials:</u>

Caliche for surfacing access roads and the wellsite pad will be obtained from the location itself or from BLM pits in the area.

### 7) Method of Handling Waste Material:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system.
- E. Oil produced during operation will be stored in tanks until sold.
- F. The Apache Corporation will comply with current laws and regulations pertaining to the disposal of human waste.

- G. All waste materials will be contained to prevent scattering by the wind and will be removed from the well site within 30 days after drilling and/or completion operations are finished.
- 8) <u>Ancillary Facilities</u>: None required.
- 9) <u>Well Site Layout:</u>
  - A. Exhibit "G" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area have been staked and flagged.
  - B. Mat Size: 125' X 235' including reserve pits.
  - C. Cut & Fill: Only minor leveling of the drilling site is anticipated.
  - D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.
- 10) <u>Plans for Restoration of the Surface</u>:
  - A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
  - B. Any unguarded pits containing fluids will be fenced until they are filled.
  - C. If the proposed well is non-productive, Apache Corporation will comply with all rehabilitation and/or vegetation requirements of the Bureau of Land Management, and such rehabilitation will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.
- 11) Other Information:
  - A. <u>Topography:</u> The wellsite and access road are located in the Querecho Plains. The site is relatively flat.

B. <u>Soil</u>:

The proposed location, access road, and production facilities consist of sandy soil. Slope in the proposed area ranges from zero (0) to five (5) degrees.

C. Flora and Fauna:

Vegetation is one of a grassland environment and a scrub-grass, scrub disclimax community. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail, and other wildlife typical of the semi-arid desert land.

- D. <u>Ponds and Streams</u>: There are no ponds, lakes, streams, or feeder creeks in the immediate area.
- E. <u>Residences and Other Structures:</u>

There are no occupied residences or other structures on or near the proposed location.

- F. Land Use: The land is used for grazing cattle.
- G. <u>Surface Ownership</u>: The surface is owned by: Will Terry Trust, P.O. Box 686, Hobbs, New Mexico
- H. <u>Archaeological, Historical, and Other Cultural Sites</u>

Desert West Archaeological Services has conducted an archaeological survey of the proposed NE Drinkard Unit #226 well which covers the drilling location, production facilities, and access road, including a corridor along said access road for power and flow lines. Their report will be filed with the BLM under separate cover.

I. <u>Operator's Senior Representative:</u>

David M. Talbott, Western Region Drilling Manager Apache Corporation 2000 Post Oak Blvd., Suite 100 Houston, Texas 77056 (713) 296-7121 FAX (713) 296-7207 J. <u>Person in Charge of Overall Project</u>.

David M. Talbott, Western Region Drilling Manager Apache Corporation 2000 Post Oak Blvd., Suite 100 Houston, Texas 77056 (713) 296-7121 FAX (713) 296-7207

# K. Person in Charge of Drilling Operations:

David M. Talbott, Western Region Drilling Manager Apache Corporation 2000 Post Oak Blvd., Suite 100 Houston, Texas 77056 (713) 296-7121 FAX (713) 296-7207

## CERTIFICATION

I hereby certify that I have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Apache Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Michel R. Burd

Michael R. Burch, CPL, Agent for Apache Corporation J. O. Easley, Inc. P. O. Box 245 Artesia, New Mexico 88211 (505) 746-1070 FAX (505) 746-1073

Date: 3-19-98

## CERTIFICATION

I hereby certify that I have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by The Wiser Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Michael R. Burd

Michael R. Burch, CPL, Agent for Apache Corporation J. O. Easley, Inc. P. O. Box 245 Artesia, New Mexico 88211 (505) 746-1070 FAX (505) 746-1073

Date: 3<u>-19-98</u>

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

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

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

DISTRICT IV P.O. BOX 2068, SANTA FE, N.M. 87504-2089 State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

**TXHIBIT "D"** 

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

□ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

	. <b>025</b> ber 25-34	1380	Eunice; Blinebry-Tubb-Drinkard							
Property				NODT	Property Nam			Well Number		
2250	3		NORTHEAST DRINKARD UNIT 22							
873 -022	2 <del>922</del> -		Operator Name APACHE CORPORATION						Elevation 3465'	
Surface Location										
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
1	3	21 S	1 S 37 E 2449 SOUTH 1266						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 Appendix	Joint of	r Infill Co	nsolidation (	Code Or	der No.		<u> </u>	J	L

#### 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

[				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
4 37.86 AC.	3 37.75 AC.	2 37.63 AC.	1 37.52 AC.	Milael Pri Bund
5	6	7	8	Printed Algenti for Apache Corp.
40.00 AC.	40.00 AC.	40.00 AC.	40.00 AC.	Title 3-19-98
	40.00 AC.	40.00 AC.		Date SURVEYOR CERTIFICATION
1.3   40.00 AC.   	14 40.00 AC.	15 40.00 AC. 3515.7'	16 40.00 AC. 3518.0'	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 supervison, and that the same is true and
		3512.1'		correct to the best of my belief. FEBRUARY 20, 1998
			2449 449 449 449 449 449 449 449 449 449	Date Surveyed CDG Signature & Seat of States of Survey o
				Spall spall span = 2-25-98
SCA		= 2000'		Cemplemente No. ROMED EIDSON 3239 Min Profession 12641

P.O. Box 1980, Hobbe, NM 88241-1980					Revised February 10, 1994 Energy, Minerals and Natural Resources Department Submit to Appropriate District Office						
DISTRICT II P.O. Drawer DD, Artes	sia, NM 86211	-0719						State Lease - Fee Lease -			
DISTRICT III 1000 Rio Brazos R	d., Aztec, N	<b>M 874</b> 10	OIL	CON	SERVATI P.0. Box 2	ON DIVIS	ION				
DISTRICT IV P.O. BOX 2088, SANTA	779 N. M. 87	504-2088		Santa F		eo 87504-2088		□ AMENDED	REPORT		
P.U. DUL 2000, SANIA	IFE, A.M. 07		WELL LC	CATION	AND ACRE	AGE DEDICATI	ON PLAT				
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30-02 Property (	<u>,5 ~ 3</u>	4380						Well Num	. h		
2250				NORTI	<b>Property Ner</b> HEAST DRINK			226	iber		
OGRIDA					Operator Nam			Elevatio			
873				AP.	ACHE CORPO	DRATION		3465	5'		
					Surface Loc	ation			· · · · · · · · · · · · · · · · · · ·		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
	3	21 S	37 E	<u> </u>	2449	SOUTH	1266	EAST	LEA		
					<b>.</b>	erent From Sur			1		
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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Dedicated Arres	a aomicio		naoudation		der No.						
NO ALLO	WABLE V					UNTIL ALL INTER		EEN CONSOLID	ATED		
<u> </u>		OR A N	ION-STAN	IDARD UN	VIT HAS BEEN	APPROVED BY	THE DIVISION				
							OPERATO	OR CERTIFICAT	FION		
12	, I	1	1		10	9		y certify the the in			
2		I	I			0		n is true and compl vledge and belief.	ete to the		
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	i			1			Michael R. Bunch Signature				
							Signature	hael R. Burch,	-CPL		
	ł				15	16	Age	gt for Apache	Corn		
13	3 <sup>1</sup>	1	4	40.	00 AC.	40.00 AC.	Printed <sup>1</sup> N&M	at for Apache			
	. –		-	1		• NEDU	Title 3-19	9-98			
40.00	AC.	40.00	D AC.	NED	U #209	• NEDU #212	Date				
							SURVEYO	OR CERTIFICA	FION		
	I			CHICTHIO 5		<u><u></u> <u>↓</u></u>	¥4				
	I			EXISTING F	1 8AT Yete	HAWK	on this plat w	y that the well locat as plotted from fiel	d notes of		
				NEL		• B3#4	11	made by me or ud that the same is	1		
				#30	00 // 1/25   NEDU - PROF #306	2. RD. *3. 94') • NEDU	correct to th	e best of my belie	f.		
					#306 j	#309	FEBR	UARY 20, 199	8		
					1 .1	A	Date Surveye		CDG		
					t." 	, <u>, , , , , , , , , , , , , , , , , , </u>	Signature & Professional				
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							q	8-11-0288			
	:				÷			To. RONALD J. EIDS	DN 3239		
	]							GARY EIDSON	12641		

DISTRICT I

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## State of New Mexico

Form C-102

EXHIBIT "D"

# VICINITY MAP



SCALE: 1'' = 2 MILES

SEC. <u>3</u> TWP.<u>21--S</u> RGE.<u>37--E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>LEA</u> DESCRIPTION <u>2449'</u> FSL & 1266' FEL ELEVATION <u>3465'</u> OPERATOR <u>APACHE CORPORATION</u> LEASE <u>NORTHEAST DRINKARD UNIT</u>

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

# EXHIBIT "E" **NEDU #226** LOCATION VERIFICATION MAP



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

COUNTY\_\_\_\_LEA DESCRIPTION 2449' FSL & 1266' FEL ELEVATION \_\_\_\_\_\_ 3465' OPERATOR APACHE CORPORATION LEASE NORTHEAST DRINKARD UNIT U.S.G.S. TOPOGRAPHIC MAP HOBBS SW, NM

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America and a standard	DAY USA Cross Timbers OF PADDOCK S



## RIG LAYOUT

Apache Corporation Northeast Drinkard Unit #226



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