

Order Number
DHC
HOB = 0353

API Number
30-025-36784

Operator
Apache Corp

County
Lea / Fee

Order Date
12/2/09

Well Name
BM Marcus

Number
4

Location
20s

38e

R (+Dir)

UL
C

T (+Dir)

Sec
20

Oil %
71

Gas %
33

Blineby D+G Co. (D)

22

63280

Warren Tubbs Co. (D)

8

45

57000

Skaggs Drinkard

Comments: Posted ABDMs 12/3/09 dm

WTR

DOWNHOLE COMMINGLE CALCULATIONS:

API # 30-025-36784
DAC-HOB-0353

OPERATOR: Apache Corp

PROPERTY NAME: BM Marcus

WNULSTR: #4-C, 20-20s, 38E

SECTION I:

POOL NO.	POOL NAME	ALLOWABLE AMOUNT	MCF
1	<u>Blinebry D+G (Oil)</u>	<u>107</u>	<u>428</u> MCF
2	<u>Warren Tubb</u>	<u>142</u>	<u>284</u> MCF
3	<u>Skaggs Drinkard</u>	<u>142</u>	<u>1420</u> MCF
4			

POOL TOTALS 391 2132 MCF

SECTION II:

POOL NO.	POOL NAME	OIL	GAS
1	<u>Blinebry D+G (Oil)</u>	<u>71%</u>	<u>33%</u>
2	<u>Warren Tubb</u>	<u>8%</u>	<u>22%</u>
3	<u>Skaggs Drinkard</u>	<u>21%</u>	<u>45%</u>
4			

$21\% \times 391 = 82.11$
(82)

OIL

GAS

SECTION III:

$21\% \times 142 = 676.19$ (676)

SECTION IV:

$71\% \times 676 = 479.96$ (480)

$8\% \times 676 = 54.08$ (54)

$21\% \times 676 = 141.96$ (142)

Submit 3 Copies To Appropriate District Office
 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
 1320 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION

RECEIVED
 20 South St. Francis Dr.
 Santa Fe, NM 87505

DEC 02 2009

WELL API NO.	30-025-36784 ✓
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> ✓
6. State Oil & Gas Lease No.	N/A
7. Lease Name or Unit Agreement Name	B M Marcus ✓
8. Well Number	004 ✓
9. OGRID Number	00873 ✓
10. Pool name or Wildcat	Blinebry O&G, Warren; Tubb (O), Skaggs; Dri ✓

SUNDRY HOBBERS AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 Apache Corporation

3. Address of Operator
 6120 S Yale Ave, Suite 1500
 Tulsa, OK 74136-4224

4. Well Location
 Unit Letter C : 330 feet from the North line and 1980 feet from the West line
 Section 20 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3,552' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: Request DHC: Blinebry/Tubb/Drinkard

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to Division Order R-11363

Pool Names: Blinebry Oil and Gas 6660
 Warren; Tubb (Oil) 63280
 Skaggs; Drinkard 57000

Perforations:

BLINEBRY 5870-74, 5944-48, 6056-60' 2 JSPF
 TUBB 6356-60, 6488-92, 6610-14, 6648-52' 2 JSPF
 DRINKARD 6798-6898' 2 JSPF

The allocation method will be as follows: Test 101 BO X 664 MCF X 160 BW

Blinebry	72 BO	71%	221 MCF	33%	40 BW	25%
Tubb	8 BO	8%	144 MCF	22%	104 BW	65%
Drinkard	21 BO	21%	299 MCF	45%	16 BW	10%
TOTAL	101 BO	100%	664 MCF	100%	160 BW	100%

Downhole commingling will not reduce the value of these pools.

Ownership is the same for each of these pools.

DHC Order No: HOB-0353

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Sophie Mackay TITLE Engineering Tech DATE 03/21/2008

Type or print name Sophie Mackay E-mail address: sophie.mackay@apachecorp.com Telephone No. (918)491-4864

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE DEC 02 2009

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED
DEC 02 2009
HOBBS OGD

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-025-36784	' Pool Code 6660	' Pool Name Blinebry Oil & Gas
' Property Code 302327	' Property Name B M Marcus	' Well Number 004
' OGRID No. 00873	' Operator Name Apache Corporation	' Elevation 3552'

¹⁰ 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	20	20S	38E		330	North	1980	West	Lea

¹¹ 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.

16 				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>
				Signature <i>Sophie Mackay</i>
				18 SURVEYOR CERTIFICATION <i>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.</i>
				Date of Survey Signature and Seal of Professional Surveyor:
				Certificate Number

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Form C-102
Revised October 12, 2005
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-025-36784	'Pool Code 63280	'Pool Name Warren; Tubb (Oil)
'Property Code 302327	'Property Name B M Marcus	'Well Number 004
'OGRID No. 00873	'Operator Name Apache Corporation	'Elevation 3552'

¹⁰ Surface Location

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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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.

<p>16</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sophie Mackay</i> 09/27/2007 Signature Date</p> <p>Sophie Mackay Printed Name</p>	
	<p>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.</p>	
	<p>Date of Survey Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

