

pDSM1424623804

| Order Number | | API Number | Operator | | County | | | |
|--|-------|----------------------|-------------|--------|----------|----------|-----------------|-----------------|
| DHC HOB-528 | | 30- 025-35855 | APACHE CORP | | LEA | | | |
| Order Date | | Well Name | | Number | Location | | | |
| 08/29/2014 | | MAE F CURRY | | 005. | B UL | 7 Sec | 21S T (+Dir) | 37E R (+Dir) |
| | | | | Oil % | Gas % | | Wtr % | |
| Pool 1 | 29710 | HARDY; BLINEBRY | | 93% | 99% | | | |
| Pool 2 | 29760 | HARDY; TUBB-DRINKARD | | 7% | 1% | | | |
| Pool 3 | | | | | | | | |
| Pool 4 | | | | | | | | |
| Comments: Entered into ABOIMS 9/03/14 dn | | | | | | | | |

POSTED BY & WHEN dm 9/3/2014

ORDER NUMBER API NUMBER OPERATOR COUNTY/LEASE

DHC-HOB-528 30-025-35855 APACHE CORP LEA / FEE

ORDER DATE WELL NAME WELL # UL SEC T(+Dir) R(+Dir)

08/28/2014 MAE F CURRY 005 B 7 21S 37E

OIL % GAS% WTR%

POOL 1 29710 HARDY; BLINEBRY 93% 99% _____

POOL 2 29760 HARDY; TUBB-DRINKARD 7% 1% _____

POOL 3 _____

POOL 4 _____

DOWNHOLE COMMINGLE CALCULATIONS:

SECTION I

ALLOWABLE AMOUNTS

POOL 1 HARDY; BLINEBRY 107 214 MCF

POOL 2 HARDY; TUBB-DRINKARD 142 852 MCF

POOL 3 _____ MCF

POOL 4 _____ MCF

POOL TOTALS 249 1066

SECTION II:

OIL

GAS

POOL 1 HARDY; BLINEBRY

93%

POOL 2 HARDY; TUBB-DRINKARD

7% x 249 = 17.43

POOL 3 _____

POOL 4 _____

SECTION III: OIL 7% ÷ 142 = 2028.57 (2029) GAS

SECTION IV: 93% x 2029 = 1886.97 (1887)
7% x 2029 = 142.03 (142)

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

| |
|---|
| WELL API NO. 30-025-35855 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Wade F Curry (309145) |
| 8. Well Number 005 |
| 9. OGRID Number 873 |
| 10. Pool name or Wildcat Hardy; Bli (29710)/Hardy; Tu-Drkd (29760) |

SUNDRY NOTICES 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
303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705

4. Well Location
Unit Letter B : 660 feet from the North line and 1780 feet from the East line
Section 7 Township 21S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3509' GL

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|---|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input checked="" type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Apache would like to DHC the following pools:

Per R-order 11363

Pool Names:

Hardy; Blinebry 29710
Hardy; Tubb-Drinkard 29760

Perforations:

Blinebry 5762'-6148' (proposed)
Tubb/Drinkard 6415'-6831' (existing)

The allocation method will be as follows based on offset production. (See attached application for exception to Rule 303-C.)

| | OIL | GAS | WATER |
|---------------|-----|-----|-------|
| Blinebry | 93% | 99% | 99% |
| Tubb/Drinkard | 7% | 1% | 1% |

Downhole commingling will not reduce the value of these pools. Ownership is the same for each of these pools.

Spud Date:

6/25/2002

Rig Release Date:

7/11/2002

DHC- HOB- 528

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

SIGNATURE

Reesa Fisher

TITLE Sr. Staff Reg Analyst

DATE 8/21/2014

Type or print name Reesa Fisher

E-mail address: Reesa.Fisher@apachecorp.com

PHONE: (432) 818-1062

For State Use Only

APPROVED BY:

[Signature]

TITLE

DATE

09/04/14

Conditions of Approval (if any):

dm

Mae F. Curry #5 (API: 30-025-35855)

Downhole Commingle Application Discussion

Summary

The Mae F. Curry #5 (API: 30-025-35855) is located at 660' FNL & 1780' FEL of Section 7, Township 21S & Range 37E, Lea County, NM. The well was drilled in June 2002, and completed and placed on production from the Hardy Tubb-Drinkard in September 2002. It is now planned to complete the Mae F. Curry #5 in the Hardy Blinebry pool, and we request approval to downhole commingle the Hardy Tubb-Drinkard and Hardy Blinebry pools in this well.

Discussion

The Hardy-Tubb Drinkard has been producing in the Mae F. Curry F #5 since September 2002 and is currently producing at a rate of approximately 4.9 BOPD, 8.9 MCFD, and 4.8 BWPD. Estimated remaining recoverable reserves from the Hardy-Tubb Drinkard are estimated to be 2.4 MBO, 3.6 MMCF, along with 2.6 MBW (see attachments). Remaining oil reserves were determined using decline curve analysis, with remaining gas reserves forecast using a gas-oil ratio of 1.5 MMCF/MB (average over the last 12-months) and remaining water production forecast at a water-oil ratio of 1.1 MBW/MBO (average over the last 12-months).

The Hardy Blinebry has not been completed in the Mae F. Curry #5, however it has been completed and produced commercially from several offset wells, with the average ultimate reserve recovery from the Hardy Blinebry for six of these offset wells estimated to be 32 MBO, 276.1 MMCF, along with 178.6 MBW. These offsets were chosen for evaluation due to their proximity and to the Mae F. Curry #5 and availability of quality production data for the Hardy Blinebry. Based on well logs, the performance of the Hardy Blinebry in the Mae F. Curry #5 is expected to be comparable to these offsets.

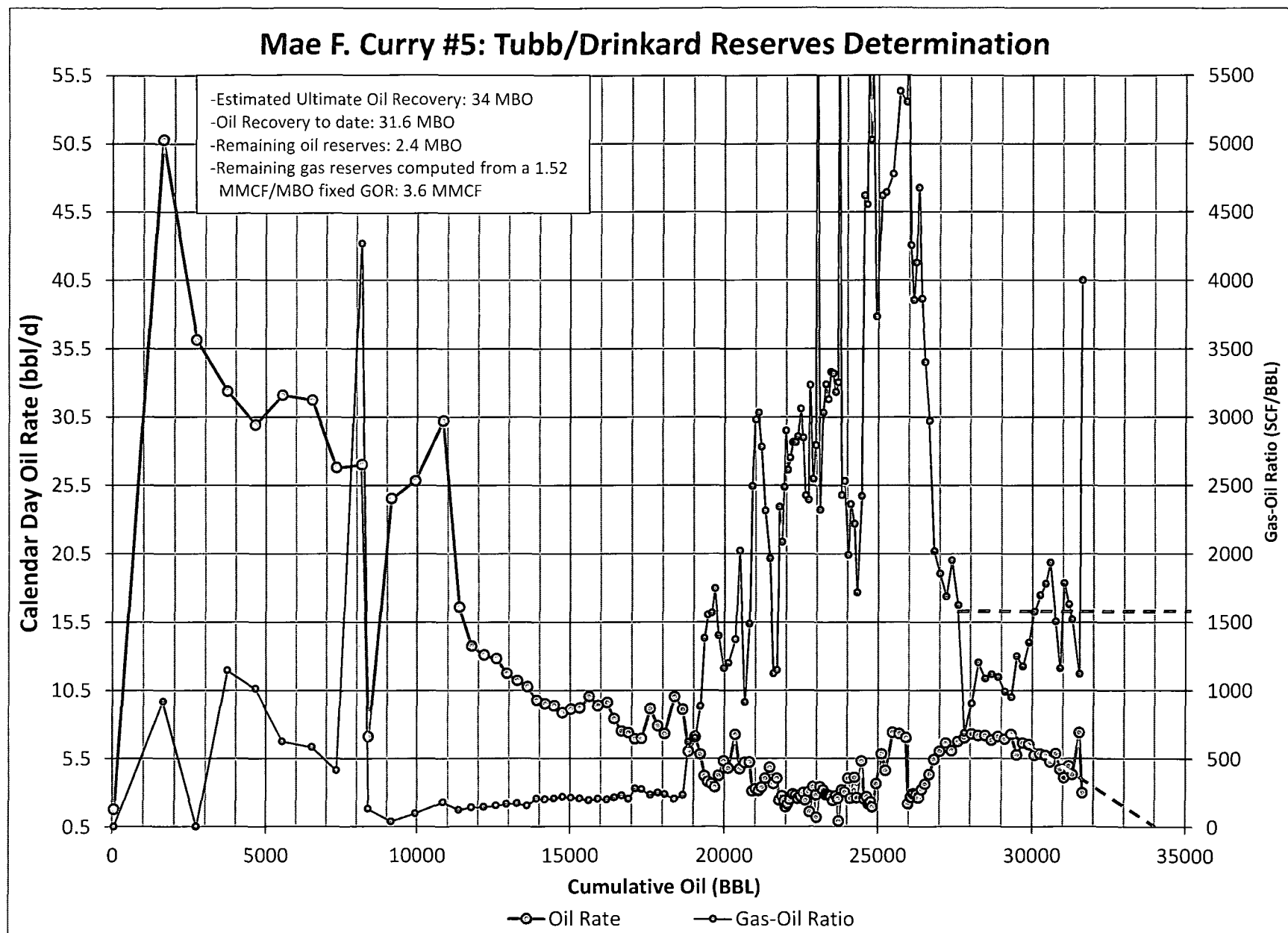
Using the estimated remaining reserve recovery for the Hardy Tubb-Drinkard in the Mae F. Curry #5, and the expected reserve recovery for completing the Hardy Blinebry in the Mae F. Curry #5, a fixed allocation percentage allocation is recommended for the Mae F. Curry #5 as follows:

| Mae F. Curry #5: Proposed Allocation Percentages | | | |
|--|-------|-------------------|--------------------|
| Pool | Fluid | Expected Recovery | Percent Allocation |
| Hardy Blinebry | Oil | 32.0 MBO | 93.1% |
| | Gas | 276.1 MMCF | 98.7% |
| | Water | 178.6 MBW | 98.6% |
| Hardy Tubb-Drinkard | Oil | 2.4 MBO | 6.9% |
| | Gas | 3.6 MMCF | 1.3% |
| | Water | 2.6 MBW | 1.4% |

Attachments

- A1. Mae F. Curry #5 Production Plot and Remaining Reserve Determination
- A2. Hardy Blinbry Reserve Determination for Offset Wells
- A3. Mae F. Curry #5 Area Map

A1. Mae F. Curry #5 Production Plot and Remaining Reserve Determination



A2. Hardy Blinebry Reserve Determination for Offset Wells

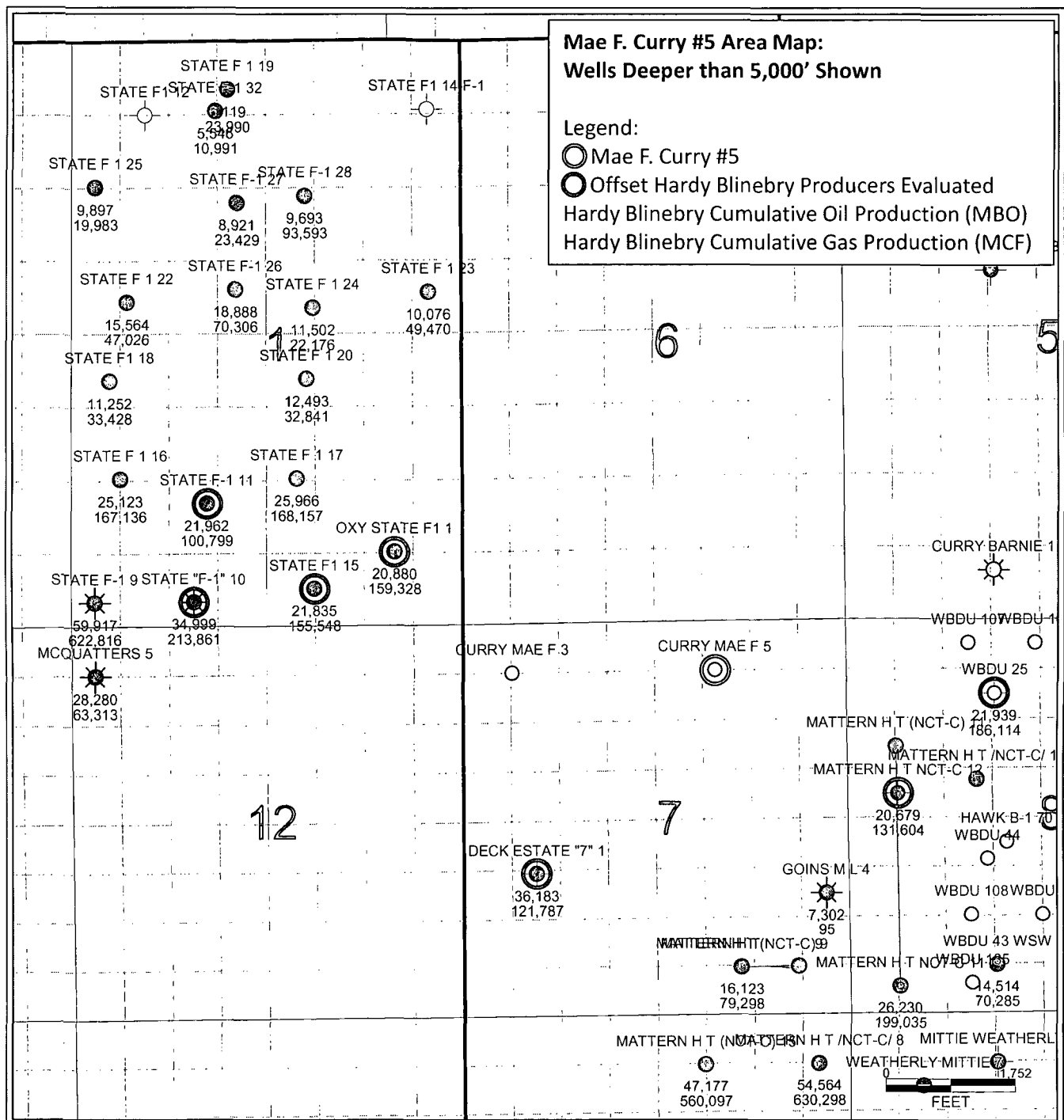
| Lease | Well No. | API | Hardy Blinebry Production Dates | | Hardy Blinebry Cumulative Production to Date | | | Hardy Blinebry Estimated EUR* | | | Hardy Blinebry Peak IP30 | |
|--------------------|----------|--------------|---------------------------------|--------|--|----------------|----------------|-------------------------------|----------------|----------------|--------------------------|-------------|
| | | | Start | End | Oil (BBL) | Gas (MCF) | Water (BBL) | Oil (BBL) | Gas (MCF) | Water (BBL) | (BOPD) | (MCFD) |
| State F-1 | 1 | 30-025-35176 | May-03 | Mar-14 | 22,292 | 176,549 | 203,788 | 33,000 | 310,000 | 400,815 | 21.2 | 105.6 |
| State F-1 | 10 | 30-025-27034 | Sep-86 | Nov-96 | 34,999 | 213,861 | 35,987 | 40,500 | 444,500 | 39,288 | 32.2 | 151.5 |
| State F-1 | 11 | 30-025-35466 | Jan-04 | Mar-14 | 23,807 | 113,016 | 168,201 | 38,000 | 160,000 | 199,426 | 18.4 | 44.2 |
| State F-1 | 15 | 30-025-35771 | Jan-04 | Mar-14 | 23,526 | 176,395 | 57,162 | 32,000 | 330,000 | 98,685 | 11.6 | 59.6 |
| Deck Estate 7 | 1 | 30-025-33677 | Apr-05 | Mar-14 | 40,654 | 134,624 | 35,459 | 105,000 | 320,000 | 86,936 | 23.6 | 64.6 |
| WBDU | 25 | 30-025-26265 | Jul-80 | Feb-07 | 21,939 | 186,114 | 24,738 | 25,000 | 280,000 | 30,554 | 19.9 | 79.7 |
| H.T. Mattern NCT-C | 12 | 30-025-25547 | Mar-78 | Sep-87 | 20,679 | 131,604 | 194,812 | 23,500 | 132,000 | 302,856 | 18.8 | 156.7 |
| | | | Mean** | | 24,540 | 166,257 | 114,115 | 32,000 | 276,083 | 178,604 | 20.4 | 99.6 |
| | | | P50** | | 22,909 | 176,472 | 112,682 | 32,500 | 295,000 | 149,055 | 19.4 | 92.7 |

*Oil and gas EUR forecast using decline curve analysis. Water forecast using last 12 months average WOR

**Deck Estate 7 #1 excluded from mean and P50 calculations

| Lease | Well No. | API | Notes |
|--------------------|----------|--------------|--|
| State F-1 | 1 | 30-025-35176 | Blinebry placed on production DHC with Tubb/Drinkard May 2003 |
| State F-1 | 10 | 30-025-27034 | Well produced from the Blinebry only from September 1986 to November 1996 |
| State F-1 | 11 | 30-025-35466 | Blinebry completed and zone tested to determine allocation. Placed on production DHC with Tubb/Drinkard January 2004 |
| State F-1 | 15 | 30-025-35771 | Blinebry completed and zone tested to determine allocation. Placed on production DHC with Tubb/Drinkard January 2004 |
| Deck Estate 7 | 1 | 30-025-33677 | Blinebry completed and zone tested to determine allocation. Placed on production DHC with Drinkard April 2005 |
| WBDU | 25 | 30-025-26265 | Blinebry completed and zone tested to determine allocation. Placed on production DHC with Drinkard February 1981 |
| H.T. Mattern NCT-C | 12 | 30-025-25547 | Blinebry completed and zone tested to determine allocation. Placed on production DHC with Drinkard January 1979 |

A1. Mae F. Curry #5 Area Map



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & 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

HOBBS OCO

AUG 25 2014

RECEIVED

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|---|
| ¹ API Number 30-025-35855 | ² Pool Code 29710 | ³ Pool Name Hardy; Blinebry |
| ⁴ Property Code 309145 | ⁵ Property Name Mae F Curry | ⁶ Well Number 005 |
| ⁷ OGRID No. 873 | ⁸ Operator Name Apache Corporation: 303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705 | ⁹ Elevation 3509' GL |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 7 | 21S | 37E | | 660 | North | 1780 | East | 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 |
|-------------------------------------|-------------------------------|----------------------------------|--|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. DHC-HOB-528 | | | | | | |

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 | | | | | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>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>Reesa Fisher 08/21/2014</p> <p>Signature Date</p> <p>Reesa Fisher</p> <p>Printed Name</p> |
| | | | | | <p>¹⁸ 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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |
| | | | | | <p>Certificate Number</p> |

State of New Mexico

Energy, Minerals and Natural Resources Department

HOBBS OCD

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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., Artesia, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-----------------------------------|---|---|
| API Number 30-025-35855 | Pool Code 29760 | Pool Name Hardy (Tubb - Drinkard) |
| Property Code 29451 | Property Name Mae F. CURRY | Well Number 5 |
| OGRID No. 060778 | Operator Name BP America Production Company | Elevation 3509' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 7 | 21-S | 37-E | | 660 | NORTH | 1780 | EAST | 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. DHC - HOB - 528 | | | | | | |

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 1 36.63 AC | | | | | | | | | |
| LOT 2 36.65 AC | GEOGRAPHIC LOCATION NAD 27 Y= 547029.8 X= 849729.7 LAT. 32°29'55.61"N LONG 103°11'56.41"W | | | | | | | | |
| LOT 3 36.67 AC | | | | | | | | | |
| LOT 4 36.69 AC | | | | | | | | | |

OPERATOR CERTIFICATION

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

Amy T. Spang
Signature

Amy T. Spang
Printed Name

Regulatory Analyst
Title

3/4/02
Date

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.

FEBRUARY 20, 2002

Date Surveyed: _____ AWB

Signature & Seal of Professional Surveyor

Ronald J. Edson 2/22/02

02.11.0147

Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641