

DHC-HOB  
Order Number

401

API Number

30-25-27949

Operator

Apache Corporation

County

Lea

Order Date

9-7-10

Well Name

Bm Marcos

Number

002

Location

C

UL

20

Sec

20S

T (+Dir)

38E

R (+Dir)

Oil %

47

Gas %

74

Pool 1

10660

Blinberry Oil + Gas

Pool 2

63280

Warren Tubb

Pool 3

57000

SKaags-Drinkard

Pool 4

Comments:

Posted to RBDM S. 9-7-10 CH

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Apache Corporation

DHC-HOB-401

API #30-025-27949

PROPERTY NAME: BM Marcus

WNULSTR: #2 C-20-205-38E

SECTION I:

POOL NO. 1 Blinebry Oil + Gas ALLOWABLE AMOUNT 107 428 MCF

POOL NO. 2 Warren Tubb 142 1420 MCF

POOL NO. 3 Skaggs - Drinkard 142 284 MCF

POOL NO. 4 \_\_\_\_\_ MCF

POOL TOTALS 391

SECTION II:

POOL NO. 1 Blinebry Oil + Gas

Oil  
47%

Gas  
74%

POOL NO. 2 Warren Tubb

36%

11%

POOL NO. 3 Skaggs - Drinkard

17% x 391 = 66.47

15%

POOL NO. 4 \_\_\_\_\_

<66.00>

OIL

GAS

SECTION III:

17% ÷ 142 = 835.29

<835>

SECTION IV:

47 x 835 = 392.45

392.00

36 x 835 = 300.6

301.00

17 x 835 = 141.95

142.00

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

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

AUG 30 2010

HOBBSOCD

WELL API NO. 30-025-27949 ✓	
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 BM Marcus ✓	
8. Well Number 002 ✓	
9. OGRID Number 873 ✓	
10. Pool name or Wildcat Bli O&G/WarrenTubb/Skaggs Drinkard	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3547' GL	

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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)</p>	
1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other:	
2. Name of Operator Apache Corporation	
3. Address of Operator 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705	
4. Well Location Unit Letter C : 990 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.) 3547' GL	

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 ☐  
 DOWNHOLE COMMINGLE ☒

OTHER: Frac Tubb & Drinkard

☒

SUBSEQUENT REPORT OF:

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

OTHER:

☐

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.

This well currently has been producing from the Blinebry only. Apache would like to re-open the Tubb and Drinkard, per the attached procedure, to produce all three zones together, per DHC-2118-A.

Pool Names: Blinebry Oil & Gas (6660) Actual Perforations: 5847'-6067'  
 Warren Tubb Oil (63280) 6493'-6660'  
 Skaggs Drinkard (57000) 6674'-6919'

Apache used the subtraction method to determine the allocation percentages for each zone as follows:

	OIL	GAS	WTR
Blinebry Oil & Gas (6660)	47%	74%	45%
Warren Tubb (63280)	36%	11%	55%
Skaggs-Drinkard (57000)	17%	15%	0%

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

Spud Date:

10/12/1982

Rig Release Date:

DHC-HOB-401

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

SIGNATURE

Reesa Holland

TITLE Sr. Engr Tech

DATE 08/26/2010

Type or print name Reesa Holland

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

PHONE: 432/818-1062

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

AUG 31 2010

Conditions of Approval (if any):

R.M.