

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

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-025-41782
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. A0-2614-0000
7. Lease Name or Unit Agreement Name McDonald State AC 2 / 306616
8. Well Number 039
9. OGRID Number 873
10. Pool name or Wildcat Tubb O&G (O)/60240 & Drinkard/19190

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 J: 2230 feet from the South line and 1710 feet from the East line
Section 13 Township 22S Range 36E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3470' 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 type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <u>RC</u> <input checked="" type="checkbox"/>		OTHER: <u>Pm</u> <input checked="" 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 recomplete to the Blinebry, per the attached procedure and WBD's.

If successful, we will apply to amend DHC-HOB-534 with existing Tubb & Drinkard. Any Blinebry production to the battery during RC is covered by PC-1270.

Spud Date:

12/20/2014

Rig Release Date:

12/29/2014

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 4/19/2016

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

05/16/16

Conditions of Approval (if any):

McDonald State AC 2 #39

API# 30-025-41782

Recomplete Upper Blinebry, Potential Comingle with Tubb/Drinkard/Abo

Day 1: MIRU SU. POOH w/pump and rods. POOH w/tubing. RIH with packer and RBP. Set RBP @ $\pm 5,840'$. Pressure test RBP and casing to MASP of 5,000 psi. Dump 20' of sand on RBP. POOH.

Day 2: MIRU wireline. RIH and perf Upper Blinebry at 5,731' (6 SPF), 5,738' (6 SPF), 5,746' (6 SPF), 5,754' (6 SPF), 5,760' (6 SPF), 5,770'-5,771' (6 SPF) for a total of 42 holes. Perf depths picked off of Compensated Neutron Log ran 12/28/2014. POOH and RD wireline.

RIH and set packer @ $\pm 5,710'$. Acidize Upper Blinebry w/4000 gals 15% NEFE HCl and 84 ball sealers.

NOTE: Record ISIP and shut in pressures every 5 minutes for 15 minutes.

Swab back load.

Day 3: Swab test well. Discuss results with Midland engineering.

Day 4: Pending swab test results, POOH w/tubing and packer. RU frac equipment.

NOTE: If no frac is needed, proceed to day 5.

Frac Upper Blinebry down casing with 15 lb. XL and 100,000 lbs. of 20/40 sand per attached frac procedure.

NOTE: Record ISIP and shut-in pressures every 5 minutes for 15 minutes.

Flow back well. RD frac equipment and move out frac crew.

Day 5: Continue flow back of well. Once well is dead, RIH w/tubing and cleanout well to top of sand on RBP.

NOTE: Discuss with Midland engineering prior to removal of RBP.

Pending production results, RBP may or may not be removed.

RIH w/pump and rods. PWOP.

CURRENT

Apache Corporation

Work Objective _____

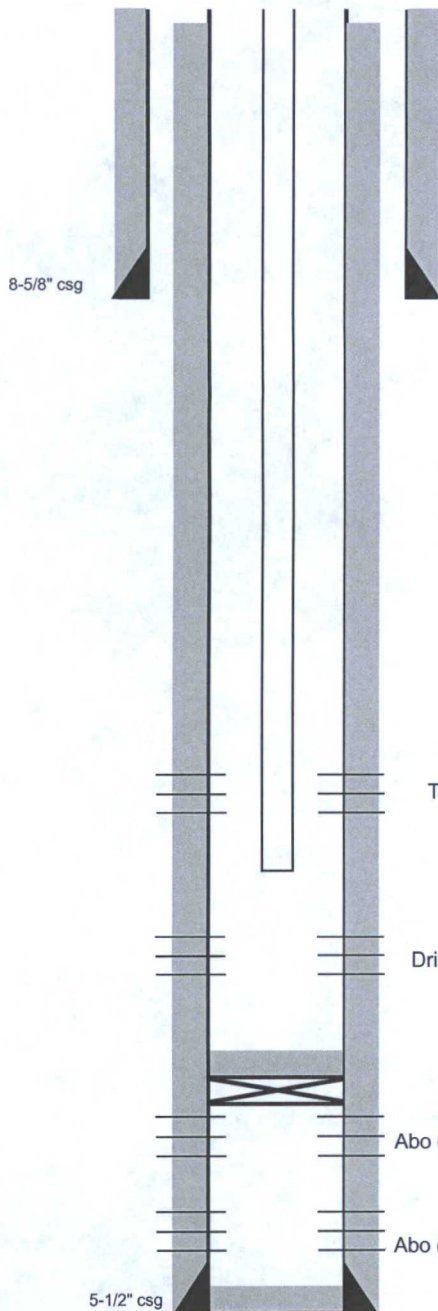
Region Office Permian / Midland

District /Field Office NW / Eunice South

AFE Type _____

Start Date	TBD	End Date	TBD
Lease	McDonald State AC 2	KB	11'
Well Name	McDonald State AC 2	Well No.	#39
Field	Eunice South	TD @	7500'
County	LEA	PBTD @	6846'
State	NEW MEXICO	ETD @	N/A
AFE #	TBD	API #	30-025-41782
Gross AFE	TBD	Spud Date	12/20/2014
Apache WI	100.000000%	Comp. Date	12/29/2014

Description	O.D.	Grade	Weight	Depth	Cmt Sx	TOC
Surface Csg	8-5/8"	J-55	24#	1232'	625	SURFACE
Inter Csg						
Prod Csg	5-1/2"	L-80	17#	7500'	955	1900' CBL
Casing Liner						



Date	Zone	Actual Perforations	JSPF	Total Perfs
3/2/2015	Abo (Lower)	7169', 7171', 7184', 7187', 7211', 7214', 7247', 7253', 7263', 7265', 7284', 7288'	3	~36
3/5/2015	Abo (Upper)	6883', 85', 6908', 16', 19', 22', 28', 31', 34', 37', 54', 60', 65', 70', 84', 89', 92', 7000'		
3/11/2015	Drinkard	6537', 40', 53', 59', 61', 98', 6610', 16', 24', 31', 33', 55', 57', 59', 76', 88', 93', 95', 6707', 09', 11', 13', 21', 23', 25', 31', 6733'		
3/16/2015	Tubb	6313', 6317', 6330', 6332', 6334', 6339', 6341', 6343', 6343', 6345', 6347', 6349', 6365', 6367', 6369', 6375', 6382', 6388', 6391', 6405', 6417', 6419', 6421'	2	~48

Date	Zone	Stimulation / Producing Interval	Amount
3/3/2015	Lower Abo	Acidize w/ 3200 gals of 20% antisludge HCL acid	
3/6/2015	Upper Abo	Acidize w/ 8022 gals of HCL NE-FE antisludge acid	
3/12/2015	Drinkard	Acidize w/ 7182 gals of 15% HCL NE-FE-BXDX acid	Frac- 100851# of 20/40 coolset
3/16/2015	Tubb	Acidize w/ 4998 gals of 15% HCL-NEFE-BXDX acid	Frac- 41669# of 20/40 SLC

Jts	Feet	Pulled Description	Tubing	Jts	Feet	Ran Description
			PIN JT			
			PS			
			SN			
			IPC			
			TBG			
			TAC			
			TBG			
			KB			
			11'	0	0.00	
Jts	Feet	Pulled Description	Rods	Jts	Feet	Ran Description
			Gas Anchor			
			Pump			
			TOOL			
			K-BAR			
			TOOL			
			K-BARS			
			RODS			
			RODS			
			RODS			
			SUBS			
			POLISH			
				0	0.00	

Well History / Failure

Apache Representative _____

Contract Rig/Number _____

Apache Engineer _____

Jacob Bower _____

Operator _____

PROPOSED

Apache Corporation

Work Objective Recomplete Blinebry

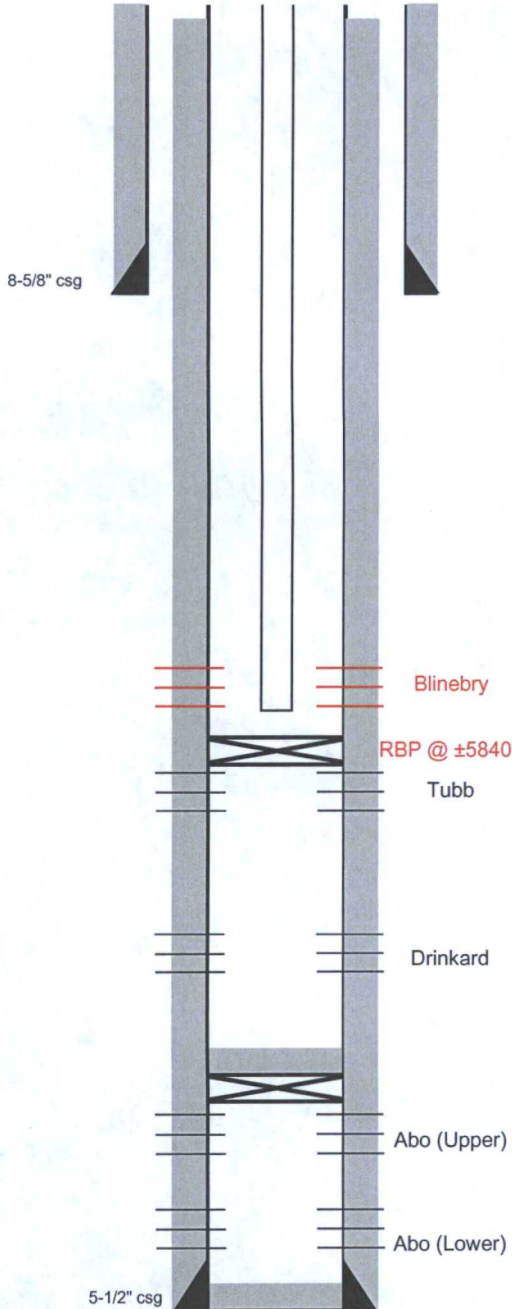
Region Office Permian / Midland

District /Field Office NW / Eunice South

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Gross AFE	\$133,600	Spud Date	12/20/2014
Apache WI	100.000000%	Comp. Date	12/29/2014

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4/24/2016	Blinebry	5731', 5738', 5746', 5754', 5760', 5770' - 5771'	6	42

Date	Zone	Stimulation / Producing Interval	Amount
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3/6/2015	Upper Abo	Acidize w/ 8022 gals of HCL NE-FE antisludge acid	
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Jts	Feet	Pulled Description	Tubing	Jts	Feet	Ran Description
			PIN JT			#VALUE!
			PS			#VALUE!
			SN			#VALUE!
			IPC			#VALUE!
			TBG			#VALUE!
			TAC			#VALUE!
			TBG			#VALUE!
						#VALUE!
						#VALUE!
			KB	11'	0	0.00
Jts	Feet	Pulled Description	Rods	Jts	Feet	Ran Description
			Gas Anchor			
			Pump			
			TOOL			
			K-BAR			
			TOOL			
			K-BARS			
			RODS			
			RODS			
			RODS			
			SUBS			
			POLISH			
				0	0.00	

Well History / Failure	
Apache Representative	Contract Rig/Number
Apache Engineer	Operator