Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD Hobbs

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on page 2

SEP 19 2017

RECEIVED

5. Lease Serial No.
NMNM90161

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM120042X

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
WEST BLINEBRY DRINKARD UNIT 45

2. Name of Operator
APACHE CORPORATION
Contact: REESA FISHER
E-Mail: Reesa.Fisher@apachecorp.com

9. API Well No.
30-025-36344

3a. Address
303 VETERANS AIRPARK LANE SUITE 3000
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432-818-1062

10. Field and Pool or Exploratory Area
EUNICE; B-T-D, NORTH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 9 T21S R37E SESW 1040FSL 1470FWL

11. County or Parish, State
LEA COUNTY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Workover Operations
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Apache intends to workover this well by adding perfs to the Drinkard and acidizing BTD, per the attached.

Pay Add

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #366391 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/13/2017 ()

Name *(Printed/Typed)* REESA FISHER — Title SR STAFF REGULATORY ANALYST

Signature (Electronic Submission) — Date 02/09/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
AUG 28 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

KZ

WBDU 45 (API: 30-025-~~32020~~ 36344)

Proposed Workover Procedure: Reactivate Drinkard and Add pay. Acid Stimulate Drinkard, Tubb, Blinebry

January 30, 2017

Day 0: Test anchors. Get oil sample and send to Cudd for compatibility testing.

Day 1: MIRU. POOH w/ rods and pump. Install BOP. TFF and POOH w/ 2-7/8" tubing

Day 2: PU & RIH w/ 4-3/4" bit with scraper and 2-7/8" L-80 work string to PBTD at 6840'. Use bailer or foam air unit if necessary. POOH.

Day 3: MIRU WL. RIH & correlate depths to CNL/GR/CCL log run 9/28/2003.

Perforate the Drinkard formations as per the attached sheet using 3-3/8" TAGs loaded with SDP charges (2 SPF, 90° phasing). POOH & RD WL.

PU & RIH w/ RBP and treating packer on 2-7/8" work string.

Day 4: Cont. RIH w/ RBP and treating packer, set RBP at +/- 6660' PUH and set packer at +/-6480'.

Acidize Drinkard with 8000 gals 15% HCl using rock salt for diversion every 1000 gals. (Max pressure: 4500 psi, Max Rate 12 BPM). Unset packer and wash over salt.

PU RBP and set at +/- 6350'. PU and set packer at +/- 6050'.

Acidize Tubb with 2000 gals 15% HCl using rock salt for diversion every 500 gals. (Max pressure: 4500 psi, Max Rate 12 BPM). Unset packer and wash over salt.

PU RBP and set at +/- 6010'. PU and set packer at +/- 5610'.

Acidize Blinebry with 2000 gals 15% HCl using rock salt for diversion every 500 gals. (Max pressure: 4500 psi, Max Rate 12 BPM). Unset packer and wash over salt. Retrieve RBP and POOH and LD work string.

Day 5: PU and RIH 2-7/8" production string and set SN at +/- 6680'. Swab well for several hours.

Day 6: RIH w/ pump and rods. RDMO. Place well on production.

WBDU 45 Perforations					
Guns: 3-3/8" TAG w/SDP Charges					
Zone	Top	Bottom	Feet	SPF	Shots
Drinkard	6534	6549	16	2	32
Drinkard	6553	6558	6	2	12
Drinkard	6561	6567	7	2	14
Drinkard	6570	6580	11	2	22
Drinkard	6585	6591	7	2	14
Drinkard	6600	6604	5	2	10
Drinkard	6606	6616	11	2	22
Drinkard	6619	6621	3	2	6
Drinkard	6622	6631	10	2	20
Total			76		152

Apache

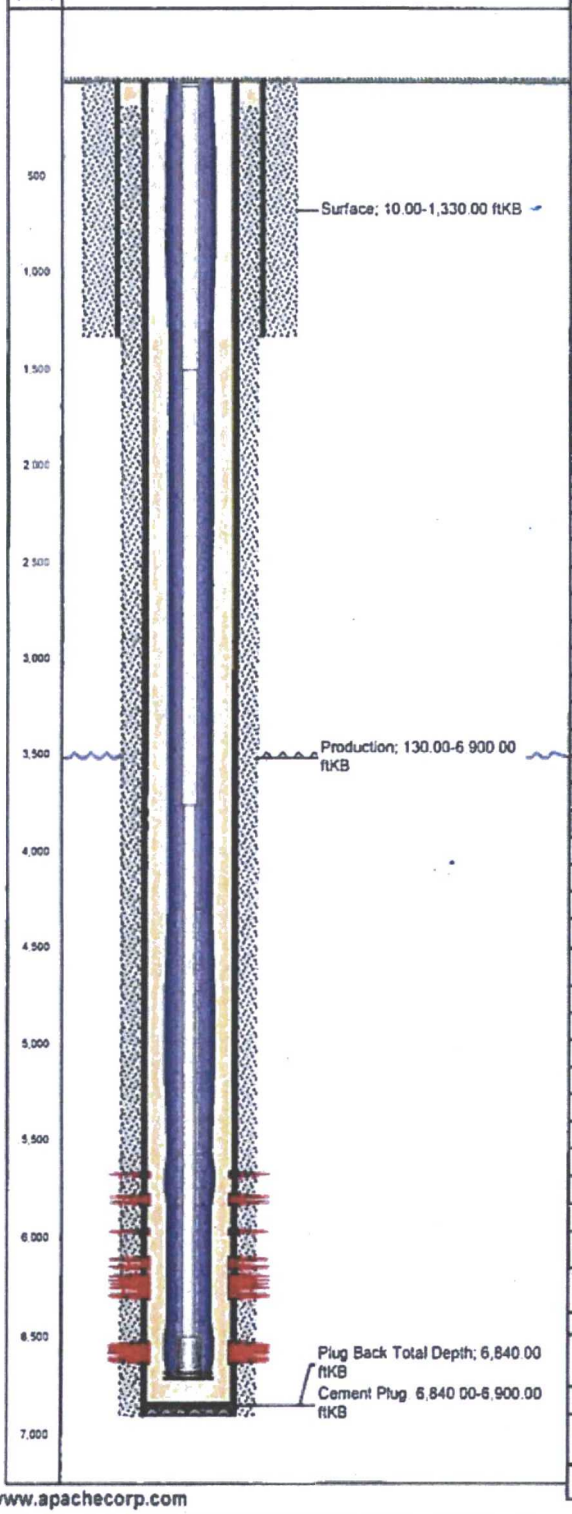
Downhole Well Profile w Cement

Well Name: WBDU 45

Reference Datum: KB

API/UWI	Surface Legal Location		Field Name	State/Province	Well Purpose
3002536344	1040' FSL, 1470' FWL, Unit N, Sec 9, T-21S, R-37E		Drinkard	New Mexico	Production
Spud Date	**Original Drilling Rig Release**	**Original KB Elevation (ft)**	**Ground Elevation (ft)**	**KB-Ground Distance (ft)**	**Casing Flange Elevation (ft)**
9/16/2003 23 00	9/28/2003 20.00	3,515 0	3,505.0	10.0	
PBTD (All) (ftKB)			**Total Depth All (TVD) (ftKB)**		
Original Hole - 6,840			Original Hole - 6,899.0		

Production - WEST BLINEBRY DRINKARD UNIT 045 - Original Hole, 1/31/



Casing Strings

Csg Des	OD (in)	Wt/Len (lb/ft)	Grade	Set Depth (ftKB)
Surface	8 5/8	24.00	J-55	1,330.00
Prod 1	5 1/2	17.00	J-55	6,900.00

Cement

String	Description	Top Depth (ftKB)	Bottom Depth (ftKB)	Top Meas Meth	Start Date
Surface, 1,330.00ftKB	Surface	10.00	1,330.00	Returns at Surface	9/18/2003
Prod 1, 6,900.00ftKB	Production	130.00	6,900.00	Log	9/29/2003
Prod 1, 6,900.00ftKB	Cement Plug	6,840.00	6,900.00	Tag	9/29/2003

Perforations

Date	Type	Prop?	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Entered Shot Total
8/26/2005	Blinebry	No	5,670	5,676	2.0	14
8/26/2005	Blinebry	No	5,790	5,798	2.0	18
8/26/2005	Blinebry	No	5,816	5,820	2.0	10
8/26/2005	Blinebry	No	5,966	5,974	2.0	19
10/31/2003	Tubb	No	6,106	6,111	2.0	12
10/31/2003	Tubb	No	6,141	6,146	2.0	12
10/31/2003	Tubb	No	6,192	6,196	2.0	10
10/31/2003	Tubb	No	6,210	6,216	2.0	14
10/31/2003	Tubb	No	6,230	6,234	2.0	10
10/31/2003	Tubb	No	6,248	6,252	2.0	10
10/31/2003	Tubb	No	6,278	6,284	2.0	14
10/31/2003	Tubb	No	6,290	6,294	2.0	10
6/17/2013	Drinkard	No	6,539	6,540	2.0	4
6/17/2013	Drinkard	No	6,546	6,548	2.0	6
6/17/2013	Drinkard	No	6,554	6,556	2.0	6
10/2/2003	Drinkard	No	6,562	6,564	2.0	6
10/2/2003	Drinkard	No	6,571	6,575	2.0	10
6/17/2013	Drinkard	No	6,576	6,579	2.0	8
10/2/2003	Drinkard	No	6,586	6,590	2.0	10
6/17/2013	Drinkard	No	6,601	6,603	2.0	6
10/2/2003	Drinkard	No	6,606	6,610	2.0	10
6/17/2013	Drinkard	No	6,612	6,614	2.0	6
10/2/2003	Drinkard	No	6,622	6,628	2.0	14

Proposed Perforations

Date	Type	Prop?	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Entered Shot Total
	Drinkard	Yes	6,534	6,549	2.0	32
	Drinkard	Yes	6,553	6,558	2.0	12
	Drinkard	Yes	6,561	6,567	2.0	14
	Drinkard	Yes	6,570	6,580	2.0	22
	Drinkard	Yes	6,585	6,591	2.0	14
	Drinkard	Yes	6,600	6,604	2.0	10
	Drinkard	Yes	6,606	6,616	2.0	22
	Drinkard	Yes	6,619	6,621	2.0	6
	Drinkard	Yes	6,622	6,631	2.0	20

Tubing Strings

Tubing Description	Run Date	String Length (ft)	Set Depth (ftKB)
Tubing	6/26/2013	6,697.92	6,708.9

Item Des	Jts	Make	Model	OD (in)	Wt (lb/ft)	Grade	Len (ft)
Tubing Joint(s)	171			2 7/8	6.50	J-55	5,554.87
Anchor/Catcher	1			2 7/8			2.70
Tubing Joint(s)	34			2 7/8	6.50	J-55	1,106.75

Apache

Downhole Well Profile w Cement

Well Name: WBDU 45

Reference Datum: KB

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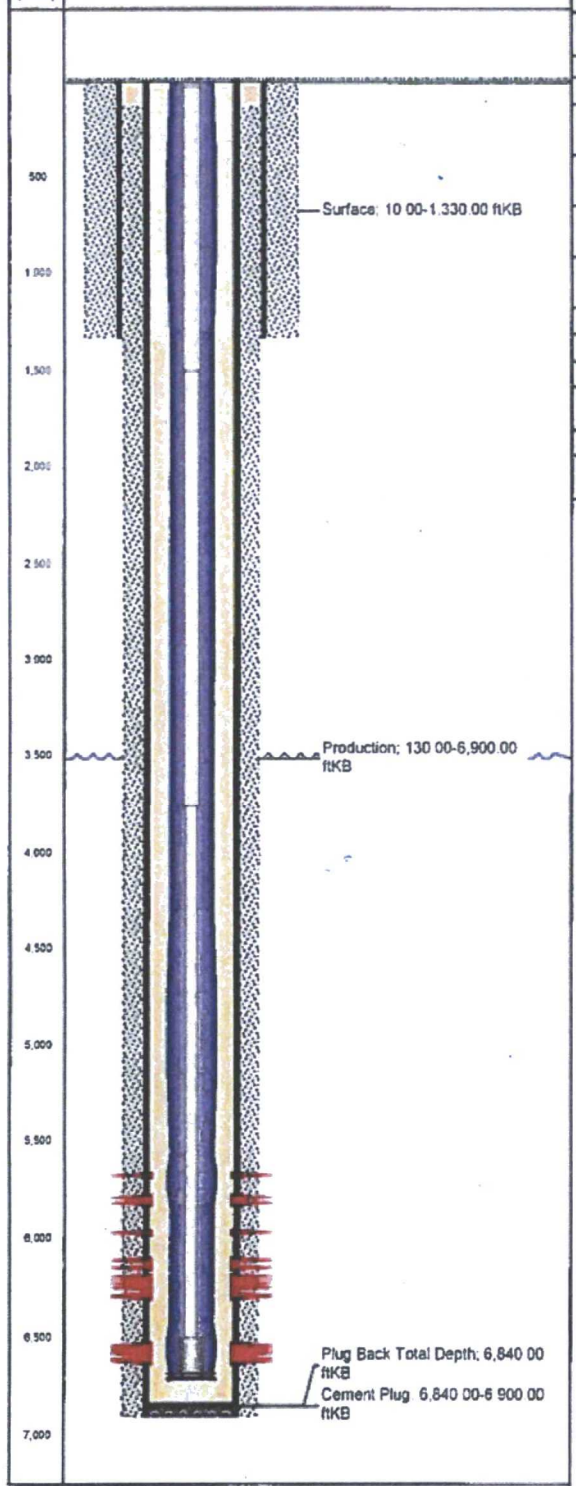
Production - WEST BLINEBRY DRINKARD UNIT 045 - Original Hole, 1/31/



Item Des	Jts	Make	Model	OD (in)	Wt (lb/ft)	Grade	Len (ft)
Tubing Joint(s)	1			2 7/8	6.50	J-55	32.50
Seating Nipple	1			2 7/8		J-55	1.10

Rod Strings

Rod Description	Run Date	String Length (ft)	Set Depth (ftKB)
Rod	6/26/2013	6,689.7	6,700.7

Item Des	Jts	Make	Model	OD (in)	Wt (lb/ft)	Grade	Len (ft)
Pony Rod(s)	3			1		KD	15.00
Rod(s)	59	Weatherford		1		KD	1,475.00
Rod(s)	90			7/8		KD	2,250.00
Rod(s)	110			3/4		KD	2,750.00
Sinker Bar	7	Weatherford		1 1/2		K	175.00
No-Tap Tool	1						0.70
Rod Pump	1						24.00

Other In Hole

Description	OD (in)	Top (ftKB)	Run Date

Plug Back Total Depths

Date	Type	Depth (ftKB)	Depth (TVD) (ftKB)
6/14/2013		6,840	6,839

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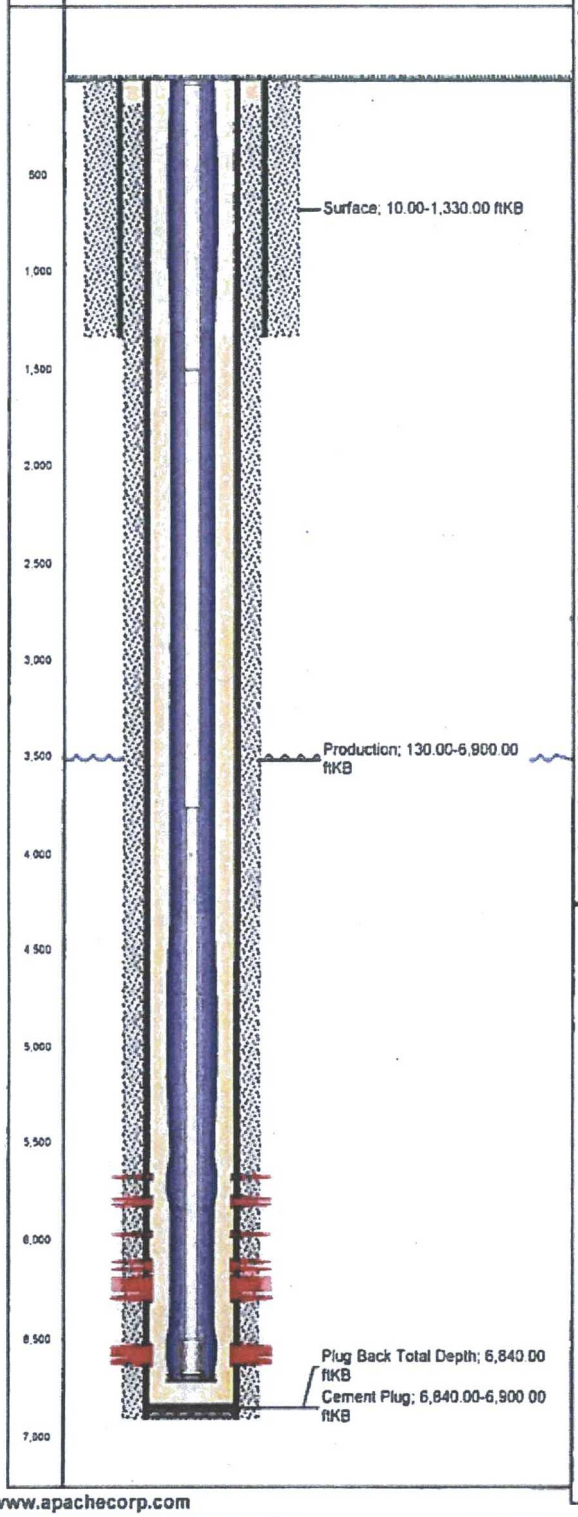

Comments

Comment

Apache Corporation
Central Region Drilling Dept. - Post Drilling Appraisal Report

WELL NAME AFE # SPUD TD
State C Tract 12 #14T-03-022107/23/03 6,950'
S Royalty A #19T-03-022008/07/03 6,900'
Hawk A #19T-03-021508/20/03 6,950'
S Royalty A #16T-03-021809/02/03 6,900'
Hawk B #1-34T-03-021609/16/03 6,900'
NEDU #418T-03-021709/29/03 6,925'
NEDU #419T-03-021910/11/03 6,900'

Location: Lea County, NM
Contractor:Capstar Rig # 8
Contract:Footage ($14.75/ft)
Formation(s): Drinkard

Summary
The State C Tract 12 #14, S. Royalty A #19, Hawk A #19, S Royalty A #16, Hawk B #1-34, NEDU #418 and NEDU #419 wells were drilled to total depths of approximately 6,900' in 15, 13, 14, 15, 13, 12 and 13 days respectively. All of these wells were drilled with the Capstar #8 rig using BJ for cementing and MI for mud. The NEDU #419 was the only well in the package that open hole logs were not run. This was due to having stuck pipe when tripping the bit out of the hole. Logs were not run in order to avoid a presumed tight section. All seven wells were cemented to surface isolating all productive intervals.

Economics.
The AFE for Dry Hole Costs averaged $ 234,493 for the seven well package. The field estimated Dry Hole Cost were $ 221,622 or 94.5% of AFE cost for all the wells. Adjustments were made in cement volumes from initial design estimates for the surface casing, reducing cementing costs for the final four wells an average of $ 1,963. Logging costs for the S. Royalty A #16, Hawk B #1-34 and NEDU #418 were reduced an average of $8,108 by not running an RFT logs and eliminating the mud logger. The following is an AFE vs. Actual for each individual well.

WELL AFE DHC FIELD DHC AFE/FIELD
State C Tract 12 #14 $ 225,050 $ 233,660 103.8%
S Royalty A #19 $ 227,550 $ 209,061 91.9%
Hawk A #19 $ 228,350 $ 212,838 93.2%
S Royalty A #16 $ 277,050 $ 279,548 100.9%
Hawk B #1-34 $ 227,550 $ 202,959 89.2%
NEDU #418 $ 227,950 $ 203,956 89.5%