

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88201
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

RECEIVED

OIL CONSERVATION DIVISION
AUG 30 2010
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

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: <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 <u>C</u> : 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:		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"/>			
OTHER: Frac Tubb & Drinkard <input checked="" 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 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. **R-11363**

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.

APACHE CORPORATION

PROCEDURE

BM Marcus #2

AFE No.: TW-10-3890

July 20, 2010

Prepared by Jeff Gasch

RECEIVED

AUG 30 2010

HOBBSOCD

Purpose

Frac Tubb and Drinkard

Current Well Information

Field Name:	Skaggs
Well Name:	BM Marcus #2
API Number:	30-025-27949
County, State:	Lea County, New Mexico
Section, Block, and Survey:	Sec 20-20S-38E
Surface Location:	990' FNL 1980' FWL
KB Elevation:	3560'
Casing Set:	7", 23#, K55 set at 7650' w/ 600 sx. TOC @ 3450'
Perfs/OH/Plugs:	5847-6067' (Blinebry) 6175' (CIBP) 6493-6660' (Tubb) 6674-6919' (Drinkard) 6990-7619' (Abo)
PBTD:	6175' (CIBP)

Procedure

1. MIRUPU.
2. POOH w/ rods and tubing.
3. PU 2-7/8" WS & RIH w/ 6-1/8" bit to PBTD (6175'). Circulate well clean.

4. RU Reverse unit and DO CIBP @ 6175'. Clean out well to +/- 6950' . Well file does not show any more plugs below 6175'. Circ hole clean if possible. POOH.
5. RU Wireline & RIH w/ CIBP and set at ±6950'. Dump 20' cmt on top of plug. Perforate Drinkard at 6892-94' & 6909-11' w/ 3 spf & 120 deg phasing. Correlate to Slb CNL/Density log dated 11/19/82.
6. RIH w/ treating pkr on WS. Set pkr @ ±5800' above top Blinbry perf. Load and test TCA to 500 psi. Contact Midland if remedial procedure is needed.
7. RIH w/ pkr to ±6770'. Set pkr & acidize Drinkard perfs from 6810-6919' w/ 3500 gals 15% HCL & rock salt for diversion. RIH and CO salt from perfs. POOH.
8. PU straddle packers and RIH on 3-1/2" 9.3# L-80 tbg. RIH & set pkrs @ ±6470' & 6770'. RU frac valve.
9. Frac Drinkard perfs w/ 80,000# 20/40 SLC in 35# XL gel at 30 bpm. Max pressure 8000 psi.
10. POOH w/ 3-1/2" tbg. If frac communicates with Tubb and bottom pkr is stuck, cut off tbg below top pkr and POOH. RIH , washover tubing and recover bottom pkr.
11. RIH w/ composite BP @ set at ±6770'.
12. RIH w/ 3-1/2" frac tbg & pkr. Set pkr @ ±6470'
13. Acidize Tubb perfs w/ 5000 gals 15% HCL & rock salt for diversion. RIH and CO salt from perfs.
14. With pkr at ±6470' frac Tubb perfs w/ 130,000# 20/40 SLC in 30 # XL gel at 30 bpm. Max pressure 8000 psi.
15. POOH & lay down 3-1/2" WS. RIH w/ 6-1/8" bit and CO sand and plug @ ±6770'. CO to PBTD @ ±6970'
16. RIH w/ production tbg and rods per forthcoming design.
17. RDMOPU.
18. Put well in test and monitor fluid level.