

| District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 | State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 | Form C-103 August 1, 2011 Permit 187996 WELL API NUMBER 30-025-41781 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name MCDONALD STATE AC 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|----------|-----------------------|-----------|--|---|--|---------------------------------------|--|--|--|---|---|---|--|-----------|--------------|------|---|----|-------|----|-----|--|------|-----|------|---|--|------|--|--|----------|------|--|-------|-----|----|-----|--|------|------|------|---|--|------|--|--|
| 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: O | | 8. Well Number 037 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Name of Operator APACHE CORP | | 9. OGRID Number 873 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Address of Operator 303 Veterans Airpark Lane, Suite 3000, Midland, TX 79705 | | 10. Pool name or Wildcat | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>N</u> line and feet <u>990</u> from the <u>E</u> line Section <u>13</u> Township <u>22S</u> Range <u>36E</u> NMPM County <u>Lea</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3457 GR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table> | | | NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | | Other: _____ | | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 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. See Attached 6/30/2014 Spudded well. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Casing and Cement Program <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>05/31/14</td> <td>Surf</td> <td></td> <td>11</td> <td>8.625</td> <td>24</td> <td>J55</td> <td></td> <td>1216</td> <td>440</td> <td>1.74</td> <td>C</td> <td></td> <td>2000</td> <td></td> <td></td> </tr> <tr> <td>06/08/14</td> <td>Prod</td> <td></td> <td>7.875</td> <td>5.5</td> <td>17</td> <td>L80</td> <td></td> <td>7501</td> <td>1450</td> <td>2.06</td> <td>C</td> <td></td> <td>2500</td> <td></td> <td></td> </tr> </tbody> </table> | | | Date | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole | 05/31/14 | Surf | | 11 | 8.625 | 24 | J55 | | 1216 | 440 | 1.74 | C | | 2000 | | | 06/08/14 | Prod | | 7.875 | 5.5 | 17 | L80 | | 7501 | 1450 | 2.06 | C | | 2500 | | |
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| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> . | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SIGNATURE _____ | | TITLE _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Type or print name _____ | E-mail address _____ | DATE _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For State Use Only: | | Telephone No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| APPROVED BY: _____ | TITLE _____ | DATE _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

SPUD 5/30/2014 DRLG F/ 51' TO 1216'; CIRC TO TOH; RUN CSG

5/31/2014 CSG STRNG @ 1216'; HOLE SZ 11", STRNG SZ 8.625, TYPE J-55, WT 24, ST&C W/ FLOAT COLLAR & GUIDE SHOE; FLOAT COLLAR @ 1169.69'; SURF CSG PRESSURE TEST: 2000 PSI/ 30 MIN. - OK. RAN 8 CENTRALIZERS

5/31/2014 LEAD: 240 SKS OF CMT, CL C, 13.5 PPG; YIELD 1.74, TAIL: 200 SKS OF CMT, CL C, 14.8 PPG, YIELD 1.33; CIRC 54 SKS TO SURFACE.

6/1/2014 DRILL CEMENT AND SHOE TRACK TO 1,216

6/1-6/7 DRL F/ '1216/ - T/7501 TD. CIR & COND HOLE. RU SCHLUMBERGER LOGGERS.

6/8/2014 CSG STRNG @ 7501; HOLE SZ 7.875, STRNG SZ 5.5, TYPE L-80, WT 17.0, FC @ 7456.54; CMT: LEAD 1050 SKS, CL C, PPG 12.6; YIELD 2.06, TAIL 400 SKS, CL C, PPG 14.2; YLD 1.37; CIRC 54 SKS TO SURF. RAN 78 CENT; PROD CSG PRESSURE TEST: 2500 PSI/ 30 MIN. - OK

6/8/2014 – RR

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Comments
Permit 187996

DRILLING COMMENTS

| | |
|--|--------------------------|
| Operator: APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705 | OGRID: 873 |
| | Permit Number: 187996 |
| | Permit Type: Drilling |

Comments

| Created By | Comment | Comment Date |
|---------------------------------------|---------|--------------|
| There are no Comments for this Permit | | |