

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 March 4, 2004

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

OIL CONSERVATION DIVISION 1625 N. French Dr. Hobbs, NM 88240

WELL API NO. 3-025-36787
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STATE DA
8. Well Number #11
9. OGRID Number
10. Pool name or Wildcat PENROSE SKELLY; GRAYBURG

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 [X] Gas Well [ ] Other [ ]

2. Name of Operator APACHE CORPORATION

3. Address of Operator 6120 S. YALE, STE. 1500

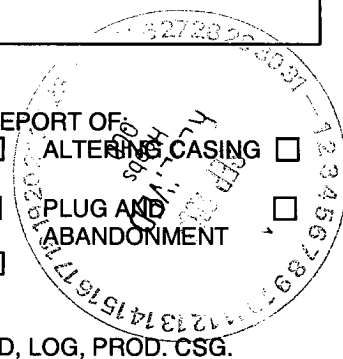
4. Well Location Unit Letter K : 1650 feet from the S line and 1650 feet from the W line Section 16 Township 21S Range 37E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
feet from the line and feet from the line

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 COMPLETION [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF: REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] PLUG AND ABANDONMENT [ ]
CASING TEST AND CEMENT JOB [ ]
OTHER: SPUD, SURF. CSG., TD, LOG, PROD. CSG. [X]



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.

8/16/2004 SPUD 12 1/4" HOLE - DRILL TO 406 SURVEY @ 370= 0.5 POH W/ BIT RIH 9 JTS. 399.22' 8 5/8" 24# J55 ST&C CSG. W/ 5 CENTRALIZERS & 1 LANDING JT. 11.63 BJ CMT. SHOE @ 406 W/ 325 SX CLASS C + 2% CACL + 1/8# CF = 78 BBLs. 14.8# SLURRY W/ 1.35 YIELD- DISPLACE PLUG TO 376 W/ 24 BFW - CIRC. 87 SX. CMT. TO PIT. WOC CUT OFF CSG. - WELD ON HEAD NU BOP & EQUIP.

8/17/2004- DRILL & SURVEY FROM 406-4350. TEST BLIND RAMS & CHOKE MANIFOLD 1000# RIH W/ BIT CUT DRILLING LINE TEST PIPE RAMS &
8/21/2004 ANNULAR 1000# DRILL & SURVEY. DRILL 3972-4357. CIRCULATE FOR LOGS SURVEY @ 4326= 1.0 POH W/ BIT HALLIBURTON RAN DUAL LATEROLOG MICRO- GUARD 4336-3200; COMPENSATED SONIC LOG 4266-3200; SPECTRAL DENSITY DUAL SPACED NEUTRON 4266-200. RIH 98 JTS. 4364.67' 5 1/2" 17# K55 LT&C CSG. W/ 16 CENTRALIZERS CIRCULATE - WAIT FOR BJ CEMENT TRUCK BJ CMT. SHOE @ 4350 - FC @ 4303 W/ 600 SX 50:50 POZ W/ 10% GEL + 5% SALT + 1/8# CF = 260 BBLs. 11.8# SLURRY W/ 2.44 YIELD & 300 SX 50:50 POZ W/ 2% GEL + 5% SALT = 69 BBLs. 14.2# SLURRY W/ 1.29 YIELD - PLUG BUMPED & HELD - CIRC. 187 SX. CMT. TO PIT - DISPLACED W/ FRESH WATER ND BOP - SET SLIPS - CUT OFF CSG. -

RELEASE RIG @ 1:30 PM 8-21-2004

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 NMOGD guidelines [ ], a general permit [ ] or an (attached) alternative OCD-approved plan [ ].

SIGNATURE Lana Williams TITLE DRILLING CLERK II DATE 8/31/04

Type or print name LANA WILLIAMS E-mail address: lana.williams@apachecorp.com Telephone No. 918-491-4980

(This space for State use)

APPROVED BY Chris Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER

Conditions of approval, if any:

SEP 07 2004