

| 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 174035 WELL API NUMBER 30-025-40846 5. Indicate Type of Lease P 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name NORTHEAST DRINKARD UNIT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|----------|-----------------------|-----------|--|---|--|---------------------------------------|--|--|--|---|---|---|--|-----------|--------------|------|---|-------|-------|----|-----|---|------|-----|------|---|--|------|--|--|----------|------|--|-------|-----|----|-----|---|------|------|---|---|--|------|--|--|
| 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: I | | 8. Well Number 174 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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>6</u> : <u>3220</u> feet from the <u>N</u> line and feet <u>2605</u> from the <u>W</u> line Section <u>3</u> Township <u>21S</u> Range <u>37E</u> NMPM County <u>Lea</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3478 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">NOTICE OF INTENTION TO:</td> <td colspan="2">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"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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. SPUD 09/04/2013 09/05/2013 CSG STRNG @ 1364'; HOLE SZ 12.25, STRNG SZ 8.625, TYPE J-55, WT 24, SURF CSG PRESSURE TEST: 2000 PSI/ 30 MIN. - OK. 09/05/2013 540 SKS OF CMT, CL C, YIELD 1.75, CIRC 173 SKS TO SURF. 09/10/2013 DRL F/ '6892/- T/7000 TD. CIR & COND HOLE. RU BAKER LOGGERS. 09/11/2013 CSG STRNG @ 7000'; HOLE SZ 7.875, STRNG SZ 5.5, TYPE L-80, WT 17.0, CMT: 1640 SKS, CL C, YIELD 2.0, CIRC 311 SKS TO SURF. PROD CSG PRESSURE TEST: 2500 PSI/ 30 MIN. - OK 9/12/2013 - RR 9/4/2013 Spudded well. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Casing and Cement Program <table border="1" 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>09/05/13</td> <td>Surf</td> <td></td> <td>12.25</td> <td>8.625</td> <td>24</td> <td>J55</td> <td>0</td> <td>1364</td> <td>540</td> <td>1.75</td> <td>C</td> <td></td> <td>2000</td> <td></td> <td></td> </tr> <tr> <td>09/11/13</td> <td>Prod</td> <td></td> <td>7.875</td> <td>5.5</td> <td>17</td> <td>L80</td> <td>0</td> <td>7000</td> <td>1640</td> <td>2</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 | 09/05/13 | Surf | | 12.25 | 8.625 | 24 | J55 | 0 | 1364 | 540 | 1.75 | C | | 2000 | | | 09/11/13 | Prod | | 7.875 | 5.5 | 17 | L80 | 0 | 7000 | 1640 | 2 | C | | 2500 | | |
| 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 09/05/13 | Surf | | 12.25 | 8.625 | 24 | J55 | 0 | 1364 | 540 | 1.75 | C | | 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 09/11/13 | Prod | | 7.875 | 5.5 | 17 | L80 | 0 | 7000 | 1640 | 2 | C | | 2500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 _____ DATE <u>9/25/2013</u> Type or print name <u>Bobby Smith</u> E-mail address <u>bobby.smith@apachecorp.com</u> Telephone No. <u>432-818-1020</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For State Use Only: APPROVED BY: <u>ELIDIO GONZALES</u> TITLE <u>HOBBS STAFF MANAGER</u> DATE <u>9/26/2013 3:06:47 PM</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 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

Comments
Permit 174035

DRILLING COMMENTS

| | | |
|--|----------------|----------|
| Operator: APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705 | OGRID: | 873 |
| | Permit Number: | 174035 |
| | Permit Type: | Drilling |

Comments

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