

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---------------|------------------------------|-------|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|--|--------------|--|--------------------------------------------------------|--|
| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-6161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 261501<br>WELL API NUMBER<br>30-015-45280<br>5. Indicate Type of Lease<br>S<br>6. State Oil & Gas Lease No.<br><br>7. Lease Name or Unit Agreement Name<br>PALMILLO 21 STATE COM |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>O                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               | 8. Well Number<br>228H                                                                                                                                                                                                  |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 2. Name of Operator<br>APACHE CORPORATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                               | 9. OGRID Number<br>873                                                                                                                                                                                                  |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 3. Address of Operator<br>303 Veterans Airpark Ln, #1000, Midland, TX 79705                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                               | 10. Pool name or Wildcat                                                                                                                                                                                                |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 4. Well Location<br>Unit Letter <u>D</u> : <u>755</u> feet from the <u>N</u> line and feet <u>360</u> from the <u>W</u> line<br>Section <u>21</u> Township <u>19S</u> Range <u>28E</u> NMPM _____ County <u>Eddy</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3472 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><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: <b>Spud</b> <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: <b>Spud</b> <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: <b>Spud</b> <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.<br><br><b>12/10/2018</b> Spudded well.<br><br>Preset surf csg.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| 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"/> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           |               |                              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Supv of Drilling Services</u></td> <td>DATE</td> <td><u>12/27/2018</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Sorina Flores</u></td> <td>E-mail address</td> <td><u>sorina.flores@apachecorp.com</u></td> <td>Telephone No.</td> <td><u>432-818-1167</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           | SIGNATURE     | <u>Electronically Signed</u> | TITLE | <u>Supv of Drilling Services</u>               | DATE                                      | <u>12/27/2018</u>                      | Type or print name                    | <u>Sorina Flores</u>                         | E-mail address                           | <u>sorina.flores@apachecorp.com</u>              | Telephone No.                             | <u>432-818-1167</u>                           |                                         |                                            |  |              |  |                                                        |  |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <u>Electronically Signed</u>                                                                                                                                                  | TITLE                                                                                                                                                                                                                   | <u>Supv of Drilling Services</u>          | DATE          | <u>12/27/2018</u>            |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
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| <b>For State Use Only:</b><br><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Raymond Podany</u></td> <td>TITLE</td> <td><u>Geologist</u></td> <td>DATE</td> <td><u>1/3/2019</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                               |                                                                                                                                                                                                                         |                                           | APPROVED BY:  | <u>Raymond Podany</u>        | TITLE | <u>Geologist</u>                               | DATE                                      | <u>1/3/2019</u>                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |
| APPROVED BY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <u>Raymond Podany</u>                                                                                                                                                         | TITLE                                                                                                                                                                                                                   | <u>Geologist</u>                          | DATE          | <u>1/3/2019</u>              |       |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                        |  |

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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 261501

**NOTICESPUD COMMENTS**

|                                                                                     |                                |
|-------------------------------------------------------------------------------------|--------------------------------|
| Operator:<br><br>APACHE CORPORATION<br>303 Veterans Airpark Ln<br>Midland, TX 79705 | OGRID:<br><br>873              |
|                                                                                     | Permit Number:<br><br>261501   |
|                                                                                     | Permit Type:<br><br>NoticeSpud |

**Comments**

|            |         |              |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

There are no Comments for this Permit