

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	Form C-103 August 1, 2011 Permit 275306 WELL API NUMBER 30-015-45809 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name PALMILLO 10 STATE																																																																																
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 334H																																																																																
2. Name of Operator APACHE CORPORATION		9. OGRID Number 873																																																																																
3. Address of Operator 303 Veterans Airpark Ln, #1000, Midland, TX 79705		10. Pool name or Wildcat																																																																																
4. Well Location Unit Letter <u>H</u> : <u>2000</u> feet from the <u>N</u> line and feet <u>180</u> from the <u>E</u> line Section <u>10</u> Township <u>19S</u> Range <u>28E</u> NMPM _____ County <u>Eddy</u>																																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3492 GR																																																																																		
Pit or Below-grade Tank Application ☐ or Closure ☐ 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 ☐</td> <td>PLUG AND ABANDON ☐</td> <td>REMEDIAL WORK ☐</td> <td>ALTER CASING ☐</td> </tr> <tr> <td>TEMPORARILY ABANDON ☐</td> <td>CHANGE OF PLANS ☐</td> <td>COMMENCE DRILLING OPNS. ☐</td> <td>PLUG AND ABANDON ☐</td> </tr> <tr> <td>PULL OR ALTER CASING ☐</td> <td>MULTIPLE COMPL ☐</td> <td>CASING/CEMENT JOB ☐</td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> ☒</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐	TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐	PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐		Other: _____		Other: <u>Drilling/Cement</u> ☒																																																													
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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. SURF: Lead: 400sx Cl C (1.33yld,14.8ppg) Circ 177sx to surf; INTERM: Stage 1 Lead-200sx Cl C w/0.2% retarder (1.33yld,14.8ppg) Circ 79sx first stage, Stage 2 Lead: 800sx Cl C w/5% salt, 4% gel, 0.1% antiSettling, 0.4% defoamer(1.77yld,12.5ppg) Tail-100sx Cl C w/0.2% retarder(1.33yld,14.8ppg) Circ 324sx to surf; PROD: Lead-850sx NineLt w/10% gel, 8% plexcrete SFA, 0.5% CPT-19, 0.4% CPT-503P, 0.7% CPT-24(2.9yld,11.0ppg) Tail-1200sx NineLt w/1.3% salt, 3% MgOxH, 0.5% CPT-19, 0.25% D3, 0.25% CPT-503, 0.55% CPT-23, 0.1% CPT-51A (1.43yld,13.2ppg) Circ 158sx to surf See Attached 10/23/2019 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>10/24/19</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>48</td> <td>H40</td> <td>0</td> <td>399</td> <td>4010</td> <td>1.33</td> <td>C</td> <td></td> <td>600</td> <td></td> <td>N</td> </tr> <tr> <td>11/22/19</td> <td>Int1</td> <td>FreshWater</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>2602</td> <td>3044</td> <td>200</td> <td>1.33</td> <td>C</td> <td></td> <td>1320</td> <td></td> <td>N</td> </tr> <tr> <td>11/22/19</td> <td>Int1</td> <td>FreshWater</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>3044</td> <td>900</td> <td>1.77</td> <td>C</td> <td></td> <td>1320</td> <td></td> <td>N</td> </tr> <tr> <td>12/03/19</td> <td>Prod</td> <td>FreshWater</td> <td>8.5</td> <td>5.5</td> <td>20</td> <td>CYP110</td> <td>0</td> <td>13413</td> <td>2050</td> <td>2.9</td> <td>NineLt</td> <td></td> <td></td> <td></td> <td>N</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	10/24/19	Surf	FreshWater	17.5	13.375	48	H40	0	399	4010	1.33	C		600		N	11/22/19	Int1	FreshWater	12.25	9.625	40	J55	2602	3044	200	1.33	C		1320		N	11/22/19	Int1	FreshWater	12.25	9.625	40	J55	0	3044	900	1.77	C		1320		N	12/03/19	Prod	FreshWater	8.5	5.5	20	CYP110	0	13413	2050	2.9	NineLt				N
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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 ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .																																																																																		
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Weatherford

Drilling Services
10000 West County Rd. 116
P.O. Box 61028
Midland, TX USA 79711
Tel. (432) 561-8892 Fax (432) 561-8895

Apache Corporation
303 Veterans Airpark Lane
Midland, TX, 79705

Date: December 3, 2019

Attention: John Vacek

Re: Apache Corporation
Well: Palmillo 10 State COM 334H
Eddy County, New Mexico

Enclosed, please find the original survey performed on the referenced well by Precision Energy Services, Inc. (P-5 No. 676004), a Weatherford company. Other information required by your office is as follows:

<u>Name & Title Of Surveyor</u>	<u>Well Number</u>	<u>Surveyed Depths</u>	<u>Dates Performed</u>	<u>Type of Survey</u>
Cory Snyder	334H	7,993 MD	11/28/2019	Measurement
MWD Ops. Coordinator		13,351 MD	12/2/2019	While Drilling

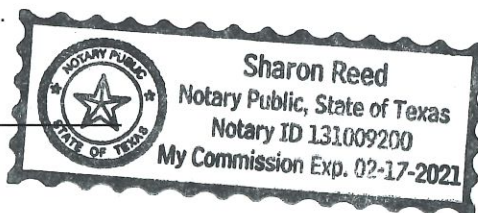
A notarized plan vs. actual is attached to the survey report. If any other information is required, please contact the undersigned at the letterhead address and phone number.

Cory Snyder
MWD Ops. Coordinator

On this, the 4 day of December, 2019, before me a notary public, the undersigned officer, personally appeared Cory Snyder, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.

Notary Public



**5D Survey Report**

Apache Corporation

Field Name: *Apache NM (Nad 83 NMEZ)*
Site Name: *Palmillo 10 State Com Pad (233,334)*
Well Name: *Palmillo 10 State Com 334H*
File number: *13930766*
Survey: *Definitive survey*

4 December 2019



5D Survey Report



Palmillo 10 State Com 334H

Field Name: Apache NM (Nad 83 NMEZ)	Map Units: US ft		Company Name: Apache Corporation	
	Vertical Reference Datum (VRD): Mean Sea Level			
	Projected Coordinate System: NAD83 / New Mexico East (ftUS)			
	Comment:			
Site: Palmillo 10 State Com Pad (233,334)	Units: US ft	North Reference: Grid	Convergence Angle: 0.10	
	Position:	Northing: 610131.30 US ft	Latitude: 32.677170846	
		Easting: 595801.90 US ft	Longitude: -104.156321767	
	Elevation above MSL: 3493.00 US ft		Comment: Eddy Co., New Mexico	
Slot: Palmillo 10 State Com 334H	Position (Relative to Site Centre)			
	+N/-S: -40.00 US ft	Northing: 610091.30 US ft	Latitude: 32.677060898	
	+E/-W: 0.20 US ft	Easting: 595802.10 US ft	Longitude: -104.156321333	
	Slot TVD Reference: Ground Elevation			
	Elevation above MSL: 3492.00 US ft			
Well: Palmillo 10 State Com 334H	Type: Main well		UWI:	
	File Number: 13930766	Comment:		
	Closure Distance: 4940.46 US ft		Closure Azimuth: 269.01°	
	Vertical Section: Position of Origin (Relative to Slot centre)			
	+N/-S: 0.00 US ft	+E/-W: -0.00 US ft	Az: 268.94°	
Drill floor: Survey Name: Definitive Survey				
Rig Height (Drill Floor): 26.00 US ft Elevation above MSL: 3518.00 US ft Inclination: 0.00° Azimuth: 0.00°				
Survey Name: Definitive Survey				
Date: 11/Sep/2019	Survey Tool: See Survey Tool Ranges below.		Comment:	Company:
Magnetic Model:				
Model Name: IFR	Date: 14/Nov/2019	Field Strength: 47884.8 nT	Declination: 7.37°	Dip: 60.47°
Tie Point:				
MD: 0.00 US ft	Inclination: 0.00°	Azimuth: 0.00°	TVD: 0.00 US ft	North Offset: 0.00 US ft East Offset: -0.00 US ft
Survey Tool Ranges:				
Name	Start MD(USFt)	End MD(USFt)	Source Survey	
VES GyroFlex V3	0.00	7901.00	VES Gyro	
MWD+IFR1+SAG+FDIR	7901.00	13413.00	WFT MWD SVY Corrected	

5D Survey Report

Wellpath created using minimum curvature.

Survey Points: (Relative to Slot centre)(TVD relative to Drill Floor)										
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	DLS (°/100US ft)	Northing (US ft)	Easting (US ft)	Comment
7901.00	0.79	66.97	7896.39	-117.34	-52.73	118.34	0.05	610038.57	595920.44	Tieon VES Gyro
7993.00	1.47	317.82	7988.38	-117.16	-51.61	118.13	2.05	610039.69	595920.23	First WFT MWD Svy
8074.00	3.72	286.12	8069.29	-113.96	-50.11	114.91	3.19	610041.19	595917.01	
8168.00	14.17	268.79	8162.03	-99.50	-49.50	100.43	11.36	610041.80	595902.53	
8263.00	22.63	271.94	8252.10	-69.57	-49.13	70.49	8.96	610042.17	595872.59	
8357.00	32.72	270.20	8335.24	-25.99	-48.42	26.89	10.77	610042.88	595828.99	
8452.00	45.14	269.55	8408.99	33.58	-48.60	-32.68	13.08	610042.70	595769.42	
8499.00	49.78	271.02	8440.76	68.19	-48.41	-67.30	10.14	610042.89	595734.80	
8546.00	53.71	271.07	8469.86	105.06	-47.74	-104.20	8.36	610043.56	595697.90	
8593.00	57.71	269.67	8496.33	143.87	-47.50	-143.02	8.86	610043.80	595659.08	
8640.00	60.95	267.92	8520.30	184.29	-48.36	-183.43	7.60	610042.94	595618.67	
8688.00	64.88	266.72	8542.16	227.00	-50.36	-226.10	8.48	610040.94	595576.00	
8735.00	69.82	266.58	8560.25	270.32	-52.90	-269.39	10.51	610038.40	595532.71	
8783.00	76.33	266.54	8574.22	316.18	-55.65	-315.21	13.56	610035.65	595486.89	
8830.00	82.25	267.74	8582.95	362.32	-57.95	-361.31	12.84	610033.35	595440.79	
8856.00	86.15	268.60	8585.57	388.18	-58.78	-387.16	15.36	610032.52	595414.94	
8950.00	92.24	268.17	8586.89	482.12	-61.43	-481.07	6.49	610029.87	595321.03	
9045.00	93.50	269.22	8582.14	577.00	-63.59	-575.92	1.73	610027.71	595226.18	
9139.00	93.92	269.97	8576.05	670.79	-64.25	-669.72	0.91	610027.05	595132.38	
9234.00	92.87	269.80	8570.43	765.61	-64.44	-764.55	1.12	610026.86	595037.55	
9328.00	92.17	269.41	8566.30	859.51	-65.09	-858.46	0.85	610026.21	594943.64	
9423.00	92.38	269.46	8562.52	954.43	-66.02	-953.38	0.23	610025.28	594848.72	
9517.00	92.45	269.58	8558.56	1048.35	-66.81	-1047.29	0.15	610024.49	594754.81	
9611.00	92.24	269.54	8554.72	1142.26	-67.53	-1141.21	0.23	610023.77	594660.89	
9705.00	91.96	269.69	8551.27	1236.19	-68.16	-1235.14	0.34	610023.14	594566.96	
9800.00	93.22	270.09	8546.98	1331.08	-68.35	-1330.04	1.39	610022.95	594472.06	
9894.00	94.34	270.17	8540.78	1424.85	-68.13	-1423.84	1.19	610023.17	594378.26	
9989.00	92.73	269.72	8534.93	1519.66	-68.22	-1518.65	1.76	610023.08	594283.45	
10083.00	92.10	269.60	8530.96	1613.56	-68.78	-1612.57	0.68	610022.52	594189.53	
10178.00	92.31	270.30	8527.31	1708.48	-68.86	-1707.50	0.77	610022.44	594094.60	
10273.00	92.66	270.63	8523.19	1803.35	-68.09	-1802.40	0.51	610023.21	593999.70	
10367.00	92.94	270.73	8518.60	1897.20	-66.98	-1896.28	0.32	610024.32	593905.82	
10461.00	93.71	270.91	8513.15	1990.99	-65.64	-1990.12	0.84	610025.66	593811.98	
10556.00	93.29	269.68	8507.35	2085.78	-65.15	-2084.94	1.37	610026.15	593717.16	
10650.00	93.36	268.56	8501.89	2179.62	-66.59	-2178.76	1.19	610024.71	593623.34	
10745.00	92.87	268.03	8496.73	2274.48	-69.41	-2273.58	0.76	610021.89	593528.52	
10839.00	93.01	268.13	8491.91	2368.34	-72.56	-2367.41	0.18	610018.74	593434.69	
10934.00	93.92	267.70	8486.17	2463.15	-76.01	-2462.17	1.06	610015.29	593339.93	
11029.00	93.43	268.05	8480.08	2557.94	-79.52	-2556.91	0.63	610011.78	593245.19	
11123.00	92.66	269.77	8475.09	2651.80	-81.31	-2650.75	2.00	610009.99	593151.35	
11218.00	92.80	270.68	8470.56	2746.67	-80.94	-2745.64	0.97	610010.36	593056.46	
11312.00	92.24	270.55	8466.43	2840.54	-79.93	-2839.55	0.61	610011.37	592962.55	
11407.00	92.31	270.81	8462.66	2935.42	-78.80	-2934.46	0.28	610012.50	592867.64	
11511.00	92.77	270.64	8458.05	3039.27	-77.49	-3038.35	0.47	610013.81	592763.75	
11606.00	93.43	270.70	8452.91	3134.08	-76.38	-3133.21	0.70	610014.92	592668.89	
11701.00	92.10	269.76	8448.33	3228.95	-76.00	-3228.09	1.71	610015.30	592574.01	
11795.00	92.57	269.92	8444.50	3322.86	-76.26	-3322.01	0.53	610015.04	592480.09	
11890.00	90.88	269.46	8441.64	3417.80	-76.77	-3416.97	1.84	610014.53	592385.13	
11984.00	90.92	269.66	8440.16	3511.78	-77.49	-3510.95	0.22	610013.81	592291.15	
12079.00	91.24	269.64	8438.37	3606.76	-78.07	-3605.93	0.34	610013.23	592196.17	
12173.00	89.56	270.36	8437.72	3700.74	-78.07	-3699.93	1.94	610013.23	592102.17	
12268.00	90.33	270.41	8437.81	3795.71	-77.44	-3794.92	0.81	610013.86	592007.18	
12362.00	91.63	270.23	8436.20	3889.66	-76.91	-3888.91	1.40	610014.39	591913.19	
12457.00	91.07	269.40	8433.96	3984.63	-77.22	-3983.88	1.05	610014.08	591818.22	
12551.00	90.63	269.49	8432.57	4078.61	-78.13	-4077.86	0.48	610013.17	591724.24	
12646.00	91.19	269.66	8431.06	4173.59	-78.83	-4172.85	0.62	610012.47	591629.25	

5D Survey Report

Survey Points: (Relative to Slot centre)(TVD relative to Drill Floor)										
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	DLS (°/100US ft)	Northing (US ft)	Easting (US ft)	Comment
12740.00	89.91	268.93	8430.16	4267.58	-79.99	-4266.83	1.57	610011.31	591535.27	
12835.00	90.11	269.12	8430.14	4362.58	-81.61	-4361.82	0.29	610009.69	591440.28	
12929.00	90.48	269.06	8429.66	4456.58	-83.10	-4455.81	0.40	610008.20	591346.29	
13024.00	90.88	269.27	8428.53	4551.57	-84.48	-4550.79	0.48	610006.82	591251.31	
13118.00	90.14	269.83	8427.69	4645.56	-85.22	-4644.78	0.99	610006.08	591157.32	
13213.00	90.68	269.81	8427.01	4740.55	-85.52	-4739.78	0.57	610005.78	591062.32	
13308.00	91.23	270.05	8425.43	4835.52	-85.64	-4834.77	0.63	610005.66	590967.33	
13351.00	91.82	269.90	8424.28	4878.50	-85.65	-4877.75	1.42	610005.65	590924.35	Last WFT MWD Svy
13413.00	91.82	269.90	8422.31	4940.46	-85.76	-4939.72	0.00	610005.54	590862.38	TD@13413'M D/PTB

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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 275306

DRILLING COMMENTS

Operator: APACHE CORPORATION 303 Veterans Airpark Ln Midland, TX 79705	OGRID: 873
	Permit Number: 275306
	Permit Type: Drilling

Comments

Created By	Comment	Comment Date
sflores	Surf csg test: 600psi/30min-OK; Interm csg test: 1320psi/30min-OK	12/3/2019