

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 154859

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| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NUMBER 30-025-40554 |
| 1. Type of Well: O | | 5. Indicate Type of Lease S |
| 2. Name of Operator APACHE CORP | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 303 Veterans Airpark Lane, Suite 3000, Midland, TX 79705 | | 7. Lease Name or Unit Agreement Name NORTHEAST DRINKARD UNIT |
| 4. Well Location Unit Letter 10 : 3785 feet from the N line and 1980 feet from the E line Section 3 Township 21S Range 37E NMPM Lea County | | 8. Well Number 173 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3467 GR | | 9. OGRID Number 873 |
| 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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other: _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: **Drilling/Cement** ☒

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.
 8/18/2012 - CSG STRNG @ 1352'; HOLE SZ 12.25, STRNG SZ 8.625, TYPE J-55, WT 24, SURF CSG PRESSURE TEST: 1200 PSI/30 MIN - OK. 700 SKS OF CMT, CL C, CIRC 173 SKS TO SURF.
 8/22/2012 - DRL F/5921' - T/7050' TD. CIR & COND HOLE.
 8/24/2012 - CSG STRNG @ 7050'; HOLE SZ 7.875, STRNG SZ 5.5, TYPE L-80, WT 17.0, 1220 SKS OF CMT, CL C, CIRC 72 BBLs TO SURF. PROD CSG PRESSURE TEST: 2500 PSI/30 MIN - OK
 8/24/2012 - RR
 8/16/2012 Spudded well.

Casing and Cement Program

| 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 |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
| 08/18/12 | Surf | | 12.25 | 8.625 | 24 | J-55 | 0 | 1352 | 700 | 1.75 | C | | | | |
| 08/24/12 | Prod | | 7.875 | 5.5 | 17 | L-80 | 0 | 7050 | 1220 | 2 | C | | | | |

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 ☐.

SIGNATURE Electronically Signed TITLE DATE 9/17/2012
 Type or print name Bobby Smith E-mail address bobby.smith@apachecorp.com Telephone No. 432-818-1020

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 9/17/2012 12:47:49 PM