

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 259816 <hr/> WELL API NUMBER 30-015-44906 <hr/> 5. Indicate Type of Lease S <hr/> 6. State Oil & Gas Lease No.  <hr/> 7. Lease Name or Unit Agreement Name PALMILLO 26 STATE COM																																																																																																																																																																																																																																																																																																																																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 314H																																																																																																																																																																																																																																																																																																																																																																																
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>1620</u> feet from the <u>N</u> line and feet <u>230</u> from the <u>E</u> line Section <u>26</u> Township <u>19S</u> Range <u>28E</u> NMPM _____ County <u>Eddy</u>																																																																																																																																																																																																																																																																																																																																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3350 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 <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">           NOTICE OF INTENTION TO:            PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>            TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/>            PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>            Other: _____         </div> <div style="width: 45%;">           SUBSEQUENT REPORT OF:            REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/>            COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>            CASING/CEMENT JOB <input type="checkbox"/>            Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> </div> </div>																																																																																																																																																																																																																																																																																																																																																																																		
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. 7/26/18: Surf cmt: LEAD-10% Gypsum.2% CaCl2,3#/sk Koseal, 0.4#/sk defoamer (1.61yld,14.4ppg)TAIL-2%CaCl2(1.34yld,14.8ppg), No Cmt to surf, FC @ 386',10/31/18: Intern cmt: LEAD-6% bentonite,0.125#/sk CF,0.5% extender,0.4#/sk defoamer, 1.0#/sk koseal,5% salt(2.83yld, 11ppg)TAIL-3% retarder (1.42yld,12.93ppg)358sk to surf, FC @ 2974', 11/13/18: Prod cmt LEAD:10% bentonite,8% plexcrete,0.8% retarder,0.7% fluid loss, 0.4#/sk defoamer(2.83yld,11ppg)TAIL: 1.3% salt,5% expanding cmt, 0.5% fluid loss,0.1% anti-settling,0.4% retarder,0.2% dispersant, 0.4#/sk defoamer(1.42yld,12.93ppg)313sx to surf <u>7/25/2018</u> Spudded well.																																																																																																																																																																																																																																																																																																																																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse; font-size: 0.8em;"> <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>10/31/18</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>3025</td><td>1080</td><td>1.32</td><td>CI C</td><td></td><td>1320</td><td></td><td>N</td></tr> <tr><td>07/26/18</td><td>Surf</td><td>FreshWater</td><td>17.25</td><td>13.375</td><td>48</td><td>H40</td><td>151</td><td>429</td><td>900</td><td>1.34</td><td>CI C</td><td>125</td><td>600</td><td></td><td>N</td></tr> <tr><td>07/26/18</td><td>Surf</td><td>FreshWater</td><td>17.25</td><td>13.375</td><td>48</td><td>H40</td><td>150</td><td>429</td><td>84</td><td>1.34</td><td>C</td><td></td><td>600</td><td></td><td>N</td></tr> <tr><td>07/26/18</td><td>Surf</td><td>FreshWater</td><td>17.25</td><td>13.375</td><td>48</td><td>H40</td><td>147</td><td>429</td><td>286</td><td>1.34</td><td>C</td><td></td><td>600</td><td></td><td>N</td></tr> <tr><td>07/26/18</td><td>Surf</td><td>FreshWater</td><td>17.25</td><td>13.375</td><td>48</td><td>H40</td><td>146</td><td>429</td><td>84</td><td>1.34</td><td>C</td><td></td><td>600</td><td></td><td>N</td></tr> <tr><td>07/26/18</td><td>Surf</td><td>FreshWater</td><td>17.25</td><td>13.375</td><td>48</td><td>H40</td><td>145</td><td>429</td><td>84</td><td>1.34</td><td>C</td><td></td><td>600</td><td></td><td>N</td></tr> 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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 NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																																																																																																																																																																																																																																																																																																																																		
<div style="display: flex; justify-content: space-between;"> <div>           SIGNATURE <u>Electronically Signed</u>            Type or print name <u>Sorina Flores</u> </div> <div>           TITLE <u>Supv of Drilling Services</u>            E-mail address <u>sorina.flores@apachecorp.com</u> </div> <div>           DATE <u>12/27/2018</u>            Telephone No. <u>432-818-1167</u> </div> </div>																																																																																																																																																																																																																																																																																																																																																																																		
<b>For State Use Only:</b> <div style="display: flex; justify-content: space-between;"> <div>           APPROVED BY: <u>Raymond Podany</u>            TITLE <u>Geologist</u> </div> <div>           DATE <u>1/3/2019 12:48:06 PM</u> </div> </div>																																																																																																																																																																																																																																																																																																																																																																																		

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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 259816

**DRILLING COMMENTS**

Operator: APACHE CORPORATION 303 Veterans Airpark Ln Midland, TX 79705	OGRID: 873
	Permit Number: 259816
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
sflores	7/26/18 - Remedial cmt for surf - Temp log indicated TOC @ 96', tagged w/1" pipe @ 151', pumped total of 19 top outs - 2188sx cmt ; #1, #2, #3, #4, #5, #6, #8, #9, #12, #13, #14, #15, #16, #17, #18, #19 pumped w/ Cl C w/3% CaCl2 (1.34yld/14.8ppg) - #7, #10, #11 pumped with Cl C w/10% gypsum, 2% CaCl2, 3#/sk Kolseal, 0.4#/sk defoamer (1.61yld/14.4ppg)	11/13/2018
sflores	Surf csg test - 600psi/30min - OK Interm csg test - 1320psi/30min - OK	11/13/2018
sflores	For prod string - drilled 8-3/4" vertical hole f/3025-9025' then drilled 8-1/2" lateral f/9025-13506' (TD); Ran 5-1/2" csg throughout prod hole as permitted.	11/13/2018