

**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-101  
August 1, 2011  
Permit 265212

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|                                                                                                    |  |                               |
|----------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>APACHE CORPORATION<br>303 Veterans Airpark Ln<br>Midland, TX 79705 |  | 2. OGRID Number<br>873        |
| 4. Property Code<br>325175                                                                         |  | 3. API Number<br>30-015-45802 |
| 5. Property Name<br>PALMILLO 3 STATE COM                                                           |  | 6. Well No.<br>244H           |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| D        | 3       | 19S      | 28E   | 4       | 785       | N        | 240       | W        | Eddy   |

**8. Proposed Bottom Hole Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| A        | 3       | 19S      | 28E   | 1       | 380       | N        | 50        | E        | Eddy   |

**9. Pool Information**

|                                 |       |
|---------------------------------|-------|
| PALMILLO;BONE SPRING, SOUTHWEST | 96413 |
|---------------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3556 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>12197 | 18. Formation<br>2nd Bone Spring Sand  | 19. Contractor          | 20. Spud Date<br>8/30/2019         |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5      | 13.375      | 48               | 370           | 262             | 0             |
| Int1 | 12.25     | 9.625       | 36               | 3000          | 625             | 0             |
| Prod | 8.5       | 5.5         | 17               | 12197         | 922             | 7253          |
| Prod | 8.75      | 5.5         | 17               | 7253          | 527             | 2500          |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 3000             | 1500          |              |
| Double Ram | 3000             | 3000          |              |

|                                                                                                                                                                                                                                                                                                                             |                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br><b>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.</b><br><br>Signature: | <b>OIL CONSERVATION DIVISION</b>                         |
| Printed Name: Electronically filed by Sorina Flores                                                                                                                                                                                                                                                                         | Approved By: Raymond Podany                              |
| Title: Supv of Drilling Services                                                                                                                                                                                                                                                                                            | Title: Geologist                                         |
| Email Address: sorina.flores@apachecorp.com                                                                                                                                                                                                                                                                                 | Approved Date: 3/20/2019      Expiration Date: 3/20/2021 |
| Date: 3/19/2019      Phone: 432-818-1167                                                                                                                                                                                                                                                                                    | Conditions of Approval Attached                          |

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                    |                                                    |                                                            |
|------------------------------------|----------------------------------------------------|------------------------------------------------------------|
| <sup>1</sup> API Number<br>30-015- | <sup>2</sup> Pool Code<br>96413                    | <sup>3</sup> Pool Name<br>PALMILLO; BONE SPRING, SOUTHWEST |
| <sup>4</sup> Property Code         | <sup>5</sup> Property Name<br>PALMILLO 3 STATE COM | <sup>6</sup> Well Number<br>244H                           |
| <sup>7</sup> OGRID NO.<br>873      | <sup>8</sup> Operator Name<br>APACHE CORPORATION   | <sup>9</sup> Elevation<br>3556'                            |

<sup>10</sup> Surface Location

|                    |              |                 |              |         |                      |                           |                      |                        |                |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no.<br>4 | Section<br>3 | Township<br>19S | Range<br>28E | Lot Idn | Feet from the<br>785 | North/South line<br>NORTH | Feet From the<br>240 | East/West line<br>WEST | County<br>EDDY |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|

<sup>11</sup> Bottom Hole Location If Different From Surface

|                    |              |                 |              |         |                      |                           |                     |                        |                |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|---------------------|------------------------|----------------|
| UL or lot no.<br>1 | Section<br>3 | Township<br>19S | Range<br>28E | Lot Idn | Feet from the<br>380 | North/South line<br>NORTH | Feet from the<br>50 | East/West line<br>EAST | County<br>EDDY |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|---------------------|------------------------|----------------|

|                                         |                               |                                  |                         |
|-----------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>161.72 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|-----------------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p><b>17 OPERATOR CERTIFICATION</b><br/>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Sorina L. Flores</u> 3/19/2019<br/>Signature Date<br/>SORINA L. FLORES<br/>Printed Name<br/>sorina.flores@apachecorp.com<br/>E-mail Address</p> |  |
| <p><b>18 SURVEYOR CERTIFICATION</b><br/>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>1-8-19<br/>Date of Survey<br/>Signature and Seal of Professional Surveyor<br/>10034<br/>Certificate Number</p>                                                                                                                                                                                                                                                                                                                               |  |

**GEODETIC DATA**  
NAD 83 GRID - NM EAST  
**SURFACE LOCATION (S.L.)**  
N 616534.9 - E 591079.9  
LAT: 32.6947932° N  
LONG: 104.1716366° W  
**FIRST TAKE POINT (F.T.P.)**  
N 616938.1 - E 590943.7  
LAT: 32.6959019° N  
LONG: 104.1720775° W  
**LAST TAKE POINT (L.T.P.)**  
N 617002.8 - E 595920.8  
LAT: 32.6960578° N  
LONG: 104.1558980° W  
**BOTTOM HOLE (B.H.)**  
N 617003.4 - E 595970.8  
LAT: 32.6960593° N  
LONG: 104.1557355° W

**CORNER DATA**  
NAD 83 GRID - NM EAST  
A: FOUND BRASS CAP "1941"  
N 612029.5 - E 590800.8  
B: FOUND BRASS CAP "1941"  
N 614665.5 - E 590822.7  
C: FOUND BRASS CAP "1941"  
N 617316.8 - E 590847.2  
D: FOUND BRASS CAP "1941"  
N 617350.7 - E 593436.5  
E: FOUND BRASS CAP "1914"  
N 617384.0 - E 596024.3  
F: FOUND BRASS CAP "1941"  
N 614733.6 - E 595999.8  
G: FOUND BRASS CAP "1911"  
N 612093.1 - E 595974.2  
H: FOUND BRASS CAP "1941"  
N 612060.8 - E 593387.2  
**CALCULATED POINTS**  
1: N 615983.6 - E 590834.9  
2: N 616051.9 - E 596012.0

Job No.: LS18121356

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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

Form APD Comments

Permit 265212

PERMIT COMMENTS

|                                                                                                        |                          |                                     |
|--------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------|
| Operator Name and Address:<br>APACHE CORPORATION [873]<br>303 Veterans Airpark Ln<br>Midland, TX 79705 |                          | API Number:<br>30-015-45802         |
|                                                                                                        |                          | Well:<br>PALMILLO 3 STATE COM #244H |
| Created By                                                                                             | Comment                  | Comment Date                        |
| rklein                                                                                                 | for clarification on BHL | 3/19/2019                           |

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Form APD Conditions  
  
Permit 265212

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                        |                                                                                     |                                     |
|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------|
| Operator Name and Address:<br>APACHE CORPORATION [873]<br>303 Veterans Airpark Ln<br>Midland, TX 79705 |                                                                                     | API Number:<br>30-015-45802         |
|                                                                                                        |                                                                                     | Well:<br>PALMILLO 3 STATE COM #244H |
| OCD Reviewer                                                                                           | Condition                                                                           |                                     |
| rpodany                                                                                                | Will require a directional survey with the C-104                                    |                                     |
| rpodany                                                                                                | Cement is required to circulate on both surface and intermediate1 strings of casing |                                     |