Submit 1 Copy To Appropriate District Form C-103 State of New Mexico Office Energy, Minerals and Natural Resources Revised August 1, 2011 District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 30-015-39026 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE 🖂 FEE | 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S St. Francis Dr , Santa Fe, NM SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 WINCHESTER 26 STATE PROPOSALS.) 8. Well Number #1H 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator APACHE CORPORATION 9. OGRID Number 873 3. Address of Operator 303 VETERANS AIRPARK LN #3000 10. Pool name or Wildcat MIDLAND, TX 79705 WINCHESTER: BONESPRING 4. Well Location Unit Letter D: 330 feet from the NORTH 330 feet from the WEST line line and Section 26 Township **19S** Range 28E **NMPM** County EDDY 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3360' 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON ALTERING CASING REMEDIAL WORK \boxtimes TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. P AND A MULTIPLE COMPL PULL OR ALTER CASING CASING/CEMENT JOB \Box DOWNHOLE COMMINGLE \Box OTHER: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. 7/5/12: After drilling the planned 8-3/4" pilot hole as per the approved APD, Apache requests approval to change the planned setting of 7" 26# casing at 7000' (above the KOP') to a contingency string that will be set in the pilot hole to TD (9000'), if hole problems are encountered. However, if the pilot hole is stable, a cement kick-off plug will be set in open hole from 7800' to 6800' (approx. 450sx). Then an 8-3/4" curve will be drilled. If hole problems are encountered in the curve, then the 7" 26# casing will be set at the bottom of the curve and cemented back to about 2000' from surface. However, if no hole problems are seen, then a 7-7/8" lateral will be drilled as opposed to the planned 6-1/8" hole. Then 5-1/2" 17# casing will be ran from TD back to surface and cemented to about 2000' from surface. In the event that the 7" contingency string is set in the well, then a 6-1/8" hole will be drilled after JUL **05** 2012 NMOCD ARTESIA Spud Date: Rig Release Date: I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE SUPV OF DRILLING SERVICES_DATE_7/5/12_ **SIGNATURE** Type or print name E-mail address PHONE: For State Use Only

Conditions of Approval