

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

FORM C-103 Revised March 25, 1999

- DISTRICT I 1625 N. French Dr., Hobbs, NM 88240
DISTRICT II 811 South First, Artesia, NM 88210
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV 1220 South St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe, NM 87505

WELL API NO. 30-025-35516
5. Indicate Type of Lease [X] STATE [] FEE
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State DA
8. Well No. 7
9. Pool name or Wildcat Penrose Skelly; Grayburg
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3455' GR

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: [X] OIL WELL [] GAS WELL [] OTHER
2. Name of Operator Apache Corporation
3. Address of Operator 2000 Post Oak Blvd., Ste. 100, Houston, Texas 77056-4400
4. Well Location Unit Letter K : 1959 Feet From The South Line and 2212 Feet From The West Line
Section 16 Township 21S Range 37E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3455' GR

11. 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 Plans [] Pull or Alter Casing [] Other
SUBSEQUENT REPORT OF: [] Remedial Work [] Altering Casing [X] Commence Drilling Operations [] Plug and Abandonment [] Casing Test and Cement Job [X] Other Surface & Production Casing

12. 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.
4/25/01 MIRU Big Dog Rig # 5. Spud well @ 7:00 pm
4/26/01 Drilled 12-1/4" hole to 1153'. Ran 26 jts 8-5/8" 24# J-55 ST&C casing. Cemented w/ 325 sx 35/65 POZ "C" & 135 sx Class "C". Circulated 72 sx to pit
5/2/01 Drilled 7-7/8" hole to 4200'. Ran 95 jts 5-1/2" 17# J-55 LT&C casing. Cemented w/ 650 sx 35/65 POZ "C" & 375 sx Class "C". Circulated 125 sx to pit. Top of float collar @ 4121'. Top of float shoe @ 4198'.
5/3/01 Release rig @ 2:00 am

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Debra J. Anderson TITLE Sr. Engineering Technician DATE 5/7/01
TYPE OR PRINT NAME Debra J. Anderson TELEPHONE NO. 713-296-6338
APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY: