

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 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  
Permit 85586

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)<br>1. Type of Well: <input type="radio"/><br>2. Name of Operator<br>APACHE CORP<br>3. Address of Operator<br>6120 S. YALE, , SUITE 1500 TULSA, OK 74136<br>4. Well Location<br>Unit Letter <u>L</u> : <u>1650</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line<br>Section <u>7</u> Township <u>20S</u> Range <u>39E</u> NMPM Lea County<br>11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3568 GR. |  | WELL API NUMBER<br>30-025-39091 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  | 5. Indicate Type of Lease<br>P  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  | 6. State Oil & Gas Lease No.    |
| 7. Lease Name or Unit Agreement Name<br>MCCASLAND                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                 |
| 8. Well Number<br>001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                 |
| 9. OGRID Number<br>873                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                 |
| 10. Pool name or Wildcat                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>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.

11/02/08 SPUD

11/03/08 CSG STRING @ 1,595', HOLE SIZE 12.25, STRING SIZE 8.625, TYPE K-55, WGHT 24.0, 680 SKS OF CEMENT, CLASS C, CIRC TO SURF.

11/10/08 DRILL 7287-7350. CIRCULATE FOR LOGS. WEATHERFORD RAN DUAL LATEROLOG MICRO-LATEROLOG 7337-2500; SPECTRAL GAMMA RAY 7293-2500; COMPENSATED SONIC INTEGRATED TRANSIT TIME SPECTRAL GAMMA RAY 7349-2500; COMPACT NEUTRON SPECTRAL GAMMA RAY 7307-100'. TOTC.

11/11/08 SET PROD. CSG @ 7,350', HOLE SIZE 7.875, STRING SIZE 5.5, TYPE L-80/K-55, WGHT 17.0, 1,300 SKS OF CEMENT, CLASS C, CIRC TO SURF. RR 11/11/08.

11/2/2008 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 |
|------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
|      | Surf   |            | 12.25     | 8.625    | 24           |       | 0       | 1595     | 680   |       |       |         |           |           |           |
|      | Prod   |            | 7.875     | 5.5      | 17           |       | 0       | 7350     | 1300  |       |       |         |           |           |           |

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 Engineering Tech

DATE 11/20/2008

Type or print name Lana Williams

E-mail address lana.williams@apachecorp.com

Telephone No. 918-491-4900

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 11/21/2008 7:21:16 AM

Drilling Comments

OGRID: [873] APACHE CORP  
Permit Number: 85586  
Permit Type: Drilling

| Created By | Comment                                                                                                                                     | Comment Date |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| butter     | THIS FORM SUBMITTED BY BECKY UTTER, APACHE CORPORATION, 6120 S. YALE, SUITE 1500, TULSA, OK 74136. (918)491-5353 BECKY.UTTER@APACHECORP.COM | 11/20/2008   |