

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 120102

SUNDRY NOTICES AND REPORTS ON WELLS (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.)		WELL API NUMBER 30-025-39654
1. Type of Well: O		5. Indicate Type of Lease P
2. Name of Operator APACHE CORP		6. State Oil & Gas Lease No.
3. Address of Operator 303 VETERANS AIRPARK LANE, SUITE 3000, MIDLAND, TX 79705		7. Lease Name or Unit Agreement Name MERIT
4. Well Location Unit Letter <u>O</u> : <u>37</u> feet from the <u>S</u> line and <u>2260</u> feet from the <u>E</u> line Section <u>11</u> Township <u>20S</u> Range <u>38E</u> NMPM Lea County		8. Well Number 003
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3569 GR		9. OGRID Number 873
Pit or Below-grade Tank Application ☐ or Closure ☐ 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 _____		10. Pool name or Wildcat

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.

7/15-7/19: MIRU Capstar 19, spud 7/15/10, Drlg f/40-1597, drop gyro, DP stuck, fish gyro, free fish, RU csg crew, run FS, FC, 36 jts 8.625 24# K-55 csg, set @ 1597, cmt LEAD w/650sx C1 C w/3# LCM1, 4% gel, 0.25 CF, 2% CACL2, TAIL: 200sx C1 C w/1% CACL, 0.13# CF, Circ 76sx to pit.

7/20 - 7/27: Drlg f/1597 - 5110, drlg f/5110-MD 5091-TVD to 7270-MD 7250-TVD, Run FS, FC, MJ, 167 jts 5.5" 17# J-55 LTC & L-80 csg, csg set @ 7270, cmt LEAD: 850sx C1 C w/10% gel, 5% salt, 0.13 CF, 0.5% FL52A, 0.1% NA2 SiO3, TAIL: 400sx C1 C w/2% gel, 5% salt, 0.13CF, 3# LCM1, 0.45% FL52A, 0.2% CD32, Circ 149sx, log well tag @ 7278, RR 7/27/10. 7/15/2010 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
07/19/10	Surf	FreshWater	12.25	8.625	24	K55	11	1597	650	1.75	Class C				
07/19/10	Surf	FreshWater	12.25	8.625	24	K55	800	1597	200	1.33	Class C				
07/27/10	Prod	FreshWater	7.875	5.5	17		11	7270	850	2.45	Class C				
07/27/10	Prod	FreshWater	7.875	5.5	17		5500	7270	400	1.3	Class C				

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

DATE 9/13/2010

Type or print name Bobby Smith

E-mail address bobby.smith@apachecorp.com

Telephone No. 432-818-1020

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 9/14/2010 7:43:49 AM

Drilling Comments

OGRID: [873] APACHE CORP
Permit Number: 120102
Permit Type: Drilling

Created By	Comment	Comment Date
SFLORES	Csg grade: J-55 LTC & J-55 LTC	9/13/2010
SFLORES	Prod csg grade: J-55 LTC & L-80 LTC	9/13/2010