

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 278262 WELL API NUMBER 30-015-45799 5. Indicate Type of Lease S 6. State Oil & Gas Lease No.  7. Lease Name or Unit Agreement Name PALMILLO 3 STATE COM																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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: O		8. Well Number 241H																																																																
2. Name of Operator APACHE CORPORATION		9. OGRID Number 873																																																																
3. Address of Operator 303 Veterans Airpark Ln, #1000, Midland, TX 79705		10. Pool name or Wildcat																																																																
4. Well Location Unit Letter <u>P</u> : <u>692</u> feet from the <u>S</u> line and feet <u>180</u> from the <u>E</u> line Section <u>3</u> Township <u>19S</u> Range <u>28E</u> NMPM _____ County <u>Eddy</u>																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3481 GR																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																													
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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. Surf: 2% CaCl(1.34yld,14.8ppg) circ 209sx; Interm LEAD: 5% salt,4% gel,0.1% CPT51A, 0.4% CPT503P, 0.6% CPT45(1.78yld,12.5ppg) TAIL: 0.1% CPT20A(1.33yld,14.8ppg) Circ 271sx; Prod LEAD: 10% gel, 8% plexcrete SFA, 0.5% CPT19, 0.4% CPT503P, 0.7% CPT24(2.9yld, 11.0ppg) TAIL: 1.3% salt, 3% MgOxH, 0.5% CPT19, 0.25% D3, 0.25% CPT503, 0.55% CPT23, 0.1% CPT51A (1.43yld,13.2ppg) Circ 411sx12/19/2019 Spudded well.																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>12/20/19</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>48</td> <td>H40</td> <td>0</td> <td>395</td> <td>400</td> <td>1.34</td> <td>C</td> <td></td> <td>600</td> <td></td> <td>N</td> </tr> <tr> <td>12/29/19</td> <td>Int1</td> <td>FreshWater</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>3021</td> <td>1040</td> <td>1.78</td> <td>C</td> <td></td> <td>1320</td> <td></td> <td>N</td> </tr> <tr> <td>01/05/20</td> <td>Prod</td> <td>FreshWater</td> <td>8.75</td> <td>5.5</td> <td>20</td> <td>P110RY</td> <td>0</td> <td>12295</td> <td>2250</td> <td>2.9</td> <td>NineLt</td> <td></td> <td></td> <td></td> <td>N</td> </tr> </tbody> </table>			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	12/20/19	Surf	FreshWater	17.5	13.375	48	H40	0	395	400	1.34	C		600		N	12/29/19	Int1	FreshWater	12.25	9.625	40	J55	0	3021	1040	1.78	C		1320		N	01/05/20	Prod	FreshWater	8.75	5.5	20	P110RY	0	12295	2250	2.9	NineLt				N
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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 <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																		
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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
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**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Comments  
  
Permit 278262

**DRILLING COMMENTS**

Operator: APACHE CORPORATION 303 Veterans Airpark Ln Midland, TX 79705	OGRID: 873
	Permit Number: 278262
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
sflores	Surf - 600psi/30min - OK; Interm - 1320psi/30min - OK; Prod - csg test will be performed before completions.	2/12/2020
sflores	For Prod - drilled 8-3/4" vertical prod hole f/3031' - 6936' KOP; drill 8-3/4" curve f/6936-7723', drill 8-1/2" prod lateral hole f/7723'-12295' TD; 5-1/2" csg run throughout prod hole.	2/12/2020
sflores	1/4/2020: TD @ 12295; 1/6/2020: RR	2/12/2020