

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

WELL API NO.

30-015-42543

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

PALMILLO 14 STATE [310374]

8. Well Number 004H

9. OGRID Number

873

10. Pool name or Wildcat

[96413] PALMILLO; BONE SPRING, SW

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: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Apache Corporation

3. Address of Operator

303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705

4. Well Location

Unit Letter D : 660 feet from the FNL line and 330 feet from the FEL line

Section 14 Township 19S Range 28E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3451' GL

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 PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: NEW WELL ☒

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.

Apache completed the well as follows:

1/27/15 - TOC@110' PREP TO FRAC

2/09/15 - WL STUCK @ 4450', RU PU TO FISH GUNS

2/10/15 - LATCH ON TO FISH @ 4453', TAG UP ON CBP @ 4470', RIH W/ BIT & TBG TO PBTD

2/11/15 - RUN CASING GAUGE, MIRU C & J FRAC & WEATHERFORD WL, PUMP PLUG & GUNS TO BOTTOM, WOD

2/12/15 - RIH W/ BIT & TBG PUSH PERF GUNS & CBP TO PBTD, RIH W/ GAUGE RING, TAG @ 9708' POOH

2/13/15 - RIH W/ 2-7/8" TBG TO PUSH GUNS TO BOTTOM OF WELL, LEFT TOP OF GUNS @ 11,630'

2/14/15 - STAGE 1 - 3 SPF, NO PLUG, 11,470, 11,535, & 11,600 PREP TO FRAC W/ 130980# SAND - STAGE 2 - 3 SPF PLUG SET @ 11445',

TOP DEPTH 11,429, 11,329, & 11,229 SAND 243560# . STAGE 3 - 3 SPF, PLUG SET @ 11,179', 11,129', 11,029, & 10,929', SAND 235120#

STAGE 4 - 3 SPF, PLUG SET @ 10900', 3 SPF, 10829, 10729 & 10629' TOTAL 108620# STAGE 5 - PLUG @ 10,579', 3 SPF, 10429, 10329 &

10329 SAND 134660#.

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Spud Date:

12/16/2014

Rig Release Date:

01/10/2015

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Reg Analyst I

DATE

3/6/15

Type or print name Emily Follis

E-mail address: Emily.follis@apachecorp.com

PHONE: (432) 818-1801

For State Use Only

APPROVED BY:

TITLE

Dist. H. Supervisor

DATE

3/18/15

Conditions of Approval (if any):

Palmillo 14 State 4H – API #30-015-42543

Eddy County, New Mexico

2/15/15 - STAGE 6 - PLUG SET @ 10,229' 3 SPF, 10229', 10129' & 10029'. SAND 278140#. STAGE 7 - PLUG SET @ 9979, 3 SPF, 9929, 9829, & 9729 SAND 59220#. STAGE 8 - PLUG SET @ 9690' 3 SPF, 9629, 9529, & 9429, SAND 104000#. STAGE 9 PLUG SET @ 9379', 3 SPF, 9329, 9229, & 9129' TOTAL SAND 23360#. STAGE 10 - PLUG SET @ 9,079' 3 SPF, 9029, 8929, & 8829'. SAND 24270#. STAGE 11 - PLUG SET @ 8779', 3 SPF, 8,729', 8629' & 8529' SAND 23360#,

2/16/15 - STAGE 12 - PLUG SET @ 8,485', 3 SPF, 8429', 8329' & 8229' SAND 253280#. STAGE 13 - PLUG SET @ 8179', 3 SPF, 8129', 8,029, & 7,929' SAND 241940#. STAGE 14 - PLUG SET @ 7879', 3 SPF, 7829', 7,729, & 7,629' SAND 253660#, SET CAP PLUG @ 6,850' RDMO

2/23/15 - MIRU REV TBG TAG UP ON CBP @ 6,853'. BREAK CIRC.SWAP OUT REV UNIT. CONT. TO DO CBP'S

2/24/15 MIRU RIH W/2-7/8" PH6 WORK STRING & BHA TO CBP @ 7,879' RU SWIVEL & BREAK CIRC. CBP @ 8179' BREAK CIRC TAG UP @ 8360'. TO CBP @ 8490'. WASH SAND TO 8,562' POOH W/TBG & BHA TO 6530' UNIT CONT TO DO CBPS

02/25/15 - RDMO CBP @ 8779' RU SWIVEL & BREAK CIRC DO CBP. TAG UP ON CBP @ 9079' RU SWIVEL RIH W/ TBG & CBP @ 9379' .RIH W/TBG & WASH SAND TO CBP @ 9690' .RIH W/ TBG & WASH SAND TO CBP @ 9,963' DO CBP .RIH W/ TBG & WASH SAND TO CBP @ 10,283' DO CBP.RIH W/ TBG & WASH SAND TO CBP @ 10,059' DO CBP .

02/26/15 - CBP @ 10,900 DO CBP .RIH W/TBG & WASH SAND TO CBP @ 11,179, DO CBP. RIH W/TBG & WASH SAND TO CBP @ 11,445' DO CBP. TOP OF FISH @ 11,630 CIRC HOLE CLEAN POOH ,KO POINT @ 7100' CIRC HOLE ,POOH RIH W/ PROD TBG & PKR.

02/27/15 -RIH W/TBG & WASH SAND TO CBP @ 10,900'.DO CBP.PUMP 130 VISC SWEEP TO SURF.RIH W/TBG 7 WASH SAND TO CBP @ 11,179' SWEEP TO SURF. CBP @ 11,445'. DO CBP. TOP OF FISH @ 11,630". CIRC HOLE CLEAN. POOH W/ TBG & BHA. STOP BEFORE KO POINT @ 7100'. CIRC HOLE CLEAN W/ BRINE. PREP TO POOH W/ WORK STRING TBG & BHA. RIH W/PROD. TBG & PKR.

02/28/15 - MIRU FLOWBACK EQUIP.CLEAN LOCATION RDMOSU. LAY FLOWLINE. FREE FLOW & TEST 2ND BONE SPRING. FINAL REPORT WOD