

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd. Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

State of New Mexico

Energy, Minerals and Natural Resources

MAR 05 2012

OIL CONSERVATION DIVISION

RECEIVED

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-31162
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease NO. A-2614
7. Lease Name or Unit Agreement Name McDonald State A/C #1
8. Well Number 36
9. OGRID Numer 873
10. Pool Name South Eunice-7 Rvrs/Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DON NOT USE THIS FORM FOR PROPOSALS TO DRILL OR DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Apache Corporation
3. Address of Operator 303 Veterans Airpark Lane, Ste. 3000, Midland, TX 79705
4. Well Location Unit Letter J : 2620 feet from the S line and 2630 feet from the E line Section 16 Township 22S Range 36E NMPM County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553' GR

12. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>
CASING/CEMENT JOB <input type="checkbox"/>
ALTERING CASING <input type="checkbox"/>
P AND A <input type="checkbox"/>
OTHER: <input type="checkbox"/>

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 or proposed completion or recompletion.

Apache Corporation proposes to P&A the above mentioned well by the attached procedure.

The Oil Conservation Division Must be notified
24 hours prior to the beginning of plugging operations.

Spud Date:

Rig Release Date:

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

SIGNATURE Guinn Burks TITLE Reclamation Foreman DATE 3/1/12

Type or print name Guinn Burks E-mail add. guinn.burks@apachecorp.com PHONE: 432-556-9143

For State Use Only

APPROVED BY: [Signature] TITLE State Rep DATE 3-5-2012

Conditions of Approval (if any):

MAR 06 2012



McDonald State A/C #1

36

30-025-31162

Lea

Csg lk @ 563'-596' sqd
Did not hold PSI

(2-12) CIBP @ 3636' w/no cmt
Qn perms @ 3699'-3780'

5 1/2" #15.5 @ 4000'
w/1250 sx cmt CIRC

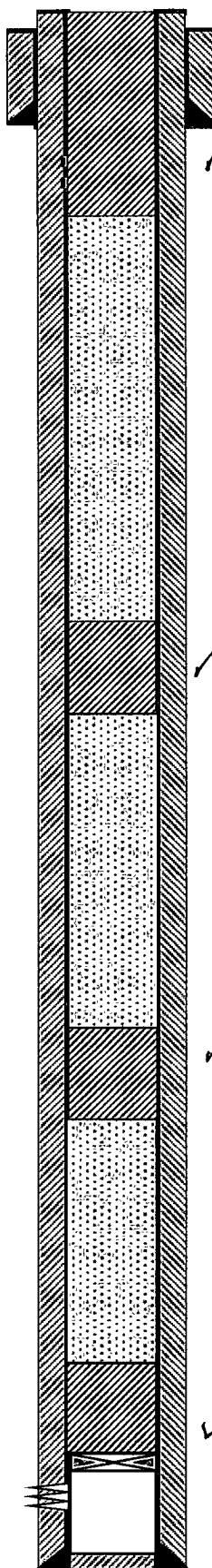
PBTD @ 3636'
TD @ 4000'



5 1/2" #15.5 @ 4000'
w/1250 sx cmt CIRC

Lea

PROPOSED PROCEDURE



1. MIRU, RIH w/ tbg & CIRC w/MLF & spot 25 sx Class
"C" cmt from 3636'-3386' (CIBP - Queen Plug)

PBTD @ 3636'
TD @ 4000'