Submit 1 Copy To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO.
30-025-06373

5. Indicate Type of Lease
STATE ☑ FEE ☐

6. State Oil & Gas Lease No.
B0-9745-0004

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.)

7. Lease Name or Unit Agreement Name
State Section 2 <23116>

1. Type of Well: Oil Well ☑ Gas Well ☐ Other

HOBBS OCD

8. Well Number 007

2. Name of Operator
Apache Corporation

OCT 0 5 2015

9. OGRID Number
873

3. Address of Operator
303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705

10. Pool name or Wildcat
Wantz; Abo (62700)

4. Well Location

RECEIVED

Unit Letter V / Lot N : 660 feet from the South line and 1980 feet from the West line
Section 2 Township 21S Range 37E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3473' GL

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☑	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER:	☐		

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 intends to suspend the Abo, complete the Drinkard and convert this well to an injector, per the attached procedure. An Injection Permit Application is concurrently being prepared. Apache is also working to unitize this well into the Northeast Drinkard Unit (NEDU) making it well #342W. Also attached are current and proposed WBD's.

Seeking to change well from STATE SECTION 2 #007 [23116] to NORTHEAST DRINKARD UNIT #342 [22503].

SUBMIT PROP NAME CHANGE WHEN ABO ZONE IS PLUGGED OFF

Spud Date: 7/13/1951 Rig Release Date: 9/7/1951

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

SIGNATURE Reesa Fisher TITLE Sr. Staff Reg Analyst DATE 10/1/2015

Type or print name Reesa Fisher E-mail address: Reesa.Fisher@apachecorp.com PHONE: (432) 818-1062

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE 10/8/15

Conditions of Approval (if any):

OCT 1 3 2015

NEDU #342W (formerly STATE NM 2 #7) Proposed Workover Procedure
API: 30-025-06373
Summary: Unitize well, Suspend Abo, Perforate, Acid Stimulate, CTI

Day 1/2: MIRU. POOH w/ rods and pump. ND WH and NU BOP. POOH w/ 2-7/8" tubing.

RIH w/CIBP on WL and set CIBP at +/- 6,850'. POOH w/WL. RIH w/dump bailer. Dump +/- 25' of cement on top of CIBP.

Day 3: Dump +/- 3,775 lbs sand to fill 5-1/2" casing to +/- 6,560'. Confirm weights/volumes.

RU casing crew and equipment and RIH with 4-1/2" 11.6 lb/ft flush joint casing with float collar and float shoe to +/- 6,540'.

RU cement crew. Perform single stage cement job to surface consisting of 20 bbl fresh water flush, 40 bbl seal bond LCM spacer, and 700 sacks of Class C cement + additives (weight 13.2 ppg, yield 1.60 cf/sack, volume 51.3 bbls, 20% excess slurry). Displace with 100 bbl fresh water (confirm all volumes).

Day 4: Wait on Cement. Cement down annulus if necessary to validate cement to surface.

Day 5: PU and RIH w/ 3-7/8" bit on 2-3/8" work string. Drill out float collar and cement. Continue in hole w/bit and clean out sand to PBTD of +/- 6,825'. Circulate clean. POOH w/ bit and work string.

Note: If cement circulation was established and verified at surface, skip logging step.

MIRU WL. RIH w/ GR/CBL/CCL, log well from PBTD to surface, POOH.

Day 6: PU and RIH w/3-1/8" slick guns with SDP charges (or similar). Perforate the Drinkard @ 4 SPF, 90 deg phasing as per the attached sheet (total 70 ft, 240 shots, estimated). POOH & RD WL.

RIH w/ 4-1/2" treating packer on 2-3/8" work string. Set packer @ +/-6,520'.

Day 7: Acidize the Drinkard w/10,000 gals 15% HCl-NE-FE-BXDX acid w/scale inhibitor and rock salt in 3 equal stages @ +/- 10 BPM (Max pressure 3,000 psia). Release packer. Flush w/200 BBL fresh water. POOH

Day 8: PU and RIH w/ 4-1/2" injection packer, on-off tool and 2-3/8" work string.

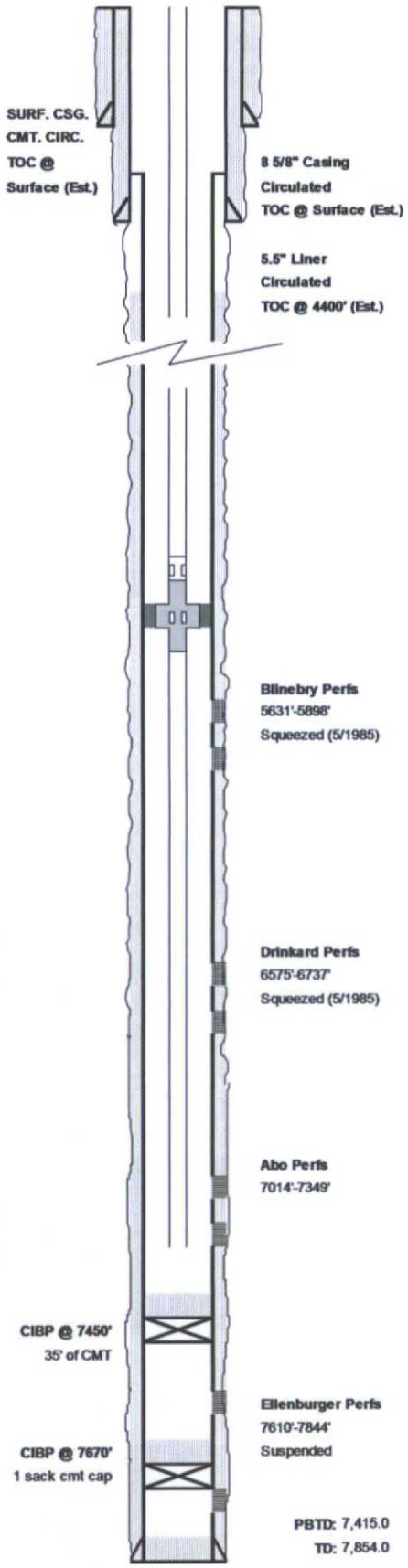
Set packer @ +/- 6,580'. Release on/off tool and POOH. LD 2-3/8" work string.

Day 9: Test in hole w/2-3/8" IPC injection tubing. Circulate packer fluid and pressure test backside to 500 psi. Latch on to packer @ +/- 6,520'.

Run MIT for NMOCD. Run pressure profile and temperature survey.

Place well on injection. Send first flow form to Reesa Fisher.

Apache Corporation
STATE NM SEC 2 #7
WELL DIAGRAM (CURRENT CONFIGURATION)



WELL NAME:	STATE NM SEC 2 #7			**API:**	30-025-06373
LOCATION:	Lot V, Sec 2, T-21S, R-37E			**COUNTY:**	Lea Co, NM
SPUD-TD DATE:	7/31/1951			**COMP. DATE:**	9/7/1951
PREPARED BY:	Bret Shapot			**DATE:**	4/29/2015
TD (ft):	7,854	**KB Elev. (ft):**	3,473.0	**KB to Ground (ft):**	12.00
PBTD (ft):	7,415	**Ground Elev. (ft):**	3,461.0		

CASING/TUBING	SIZE (IN)	WEIGHT (LB/FT)	GRADE	DEPTHS (FT)	
Surface Casing	13-3/8" 250 sx Circulated	32.4		0	225
Intermediate	8-5/8" 1950 sx Circulated	32.0		0	3,152
Production	5-1/2" 900 sx Circulated	15.5, 17		3,000	7,852
Tubing					

PRODUCTION TBG STRING

ITEM	DESCRIPTION	LENGTH (FT)	Depth (FT)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

PRODUCTION ROD STRING

ITEM	DESCRIPTION	LENGTH (FT)	Btm (FT)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

SURFACE EQUIPMENT

PUMPING UNIT SIZE:	**MOTOR HP:**
PUMPING UNIT MAKE:	**MOTOR MAKE:**

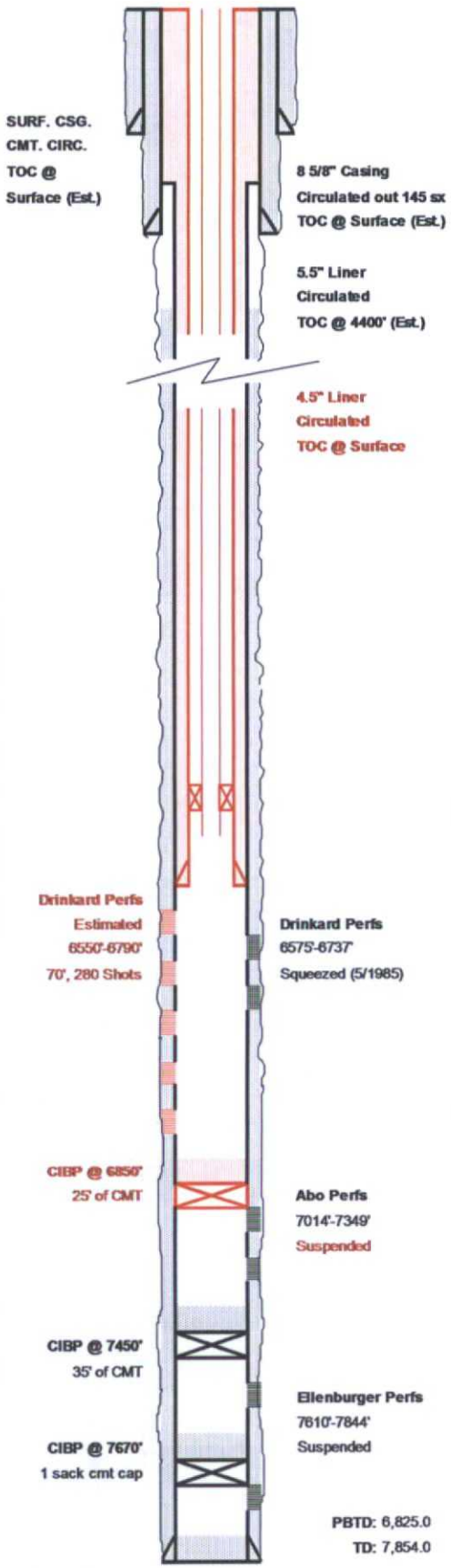
PERFORATIONS

Form.	Intervals	FT	SPF
Blinebry (Sqz'd)	5631, 5647, 5656, 5667, 5674, 5680, 5687, 5693, 5704, 5713, 5730, 5735, 5740, 5748, 5803, 5808, 5819, 5829, 5835, 5842, 5848, 5855, 5860, 5865, 5871, 5882, 5888, 5898	28	1
Tubb			
Drinkard (Sqz'd)	6737, 6723, 6699, 6685, 6673, 6664, 6657, 6651, 6638, 6634, 6629, 6618, 6611, 6577, 6575	15	1
	6577, 6591, 6611, 6617, 6627, 6648, 6655, 6662, 6671, 6684, 6700, 6706, 6714, 6729, 6735	15	1
Abo	7014-7349'	68	1
Ellen. (Susp'd)	7610-7633', 7828-7844'	41	4

Apache Corporation

NEDU #342W (Formerly State Sec 2 #7)

WELL DIAGRAM (PROPOSED)



WELL NAME:	NEDU #342W (Formerly State Sec 2 #7)	**API:**	30-025-06373
LOCATION:	Lot V, Sec 2, T-21S, R-37E	**COUNTY:**	Lea Co, NM
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PREPARED BY:	Bret Shapot	**DATE:**	4/29/2015
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PBTD (ft): 6,825	**Ground Elev. (ft):** 3,461.0		

CASING/TUBING	SIZE (IN)	WEIGHT (LB/FT)	GRADE	DEPTHS (FT)	
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Intermediate	8-5/8" 1950 sx Circulated	32.0		0	3,152
Production	5-1/2" 900 sx Circulated	15.5, 17		3,000	7,852
Liner	4-1/2" Circ. to Surface	15.5	J-55	0.0	6,540

INJECTION TUBING STRING

ITEM	DESCRIPTION	LENGTH (FT)	Depth (FT)
1	2-3/8" 4.7 LB/FT J-55 IPC TBG	6520.0	6520.0
2	2-3/8" ON/OFF TOOL W/ 1.78 F PROFILE	1.8	6521.8
3	2-3/8" X 4-1/2" NICKLE PLATED ARROW-SET PKR	6.2	6528.0
4	2-3/8" 4.7 LB/FT J-55 IPC TBG	8.0	6536.0
5	2-3/8" PROFILE NIPPLE 1.50 R	0.9	6536.9
6	2-3/8" 4.7 LB/FT J-55 IPC TBG	6.0	6542.9
7			
8			
9			
10			

PERFORATIONS

Form.	Intervals	FT	SPF
Drinkard	6550' - 6790' (Estimated)	70	4
Drinkard (Sqz'd)	6737, 6723, 6699, 6685, 6673, 6664, 6657, 6651, 6638, 6634, 6629, 6618, 6611, 6577, 6575, 6577, 6591, 6611, 6617, 6627, 6648, 6655, 6662, 6671, 6684, 6700, 6706, 6714, 6729, 6735	30	1
Abo	(Suspended) 7014-7349'	68	1
Ellen.	Suspended) 7610-7633', 7828-7844'	41	4