

Submit 3 Copies To Appropriate District  
Office  
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

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

|   |   |  |
|---|---|--|
| <b>RECEIVED</b><br><b>MAK 01 2010</b><br><b>HOBBSUCD</b>  | <b>WELL API NO.</b><br>30-025-39601   |  |
|   | 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |  |
|   | 6. State Oil & Gas Lease No.<br>NA  |  |
|   | 7. Lease Name or Unit Agreement Name<br>Mark Owen /   |  |
| 8. Well Number 16   |   |  |
| 9. OGRID Number<br>873  |   |  |
| 10. Pool name or Wildcat<br>Penrose Skelly; Grayburg  |   |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other:   |   |  |
| 2. Name of Operator<br>Apache Corporation   |   |  |
| 3. Address of Operator<br>6120 S Yale Ave, Suite 1500 Tulsa, OK 74136   |   |  |
| 4. Well Location<br>Unit Letter K : 1980 feet from the South line and 2310 feet from the West line<br>Section 35 Township 21S Range 37E NMPM County Lea   |   |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3370' GR  |   |  |

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

| NOTICE OF INTENTION TO:                        |   | SUBSEQUENT REPORT OF:                                     |  |
|--|---|---|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>                    | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>          | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>                |  |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |   |   |  |
| OTHER: <input type="checkbox"/>                |   | OTHER: New Completion <input checked="" 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 of proposed completion or recompletion.

Apache completed this well via the following procedure:

1/14/10 Perf San Andres @ 3946, 50, 55, 60, 87, 90, 97, 4014, 41, 70, 76, 4113, 16, 23, 26, 32, 40, 42, 4144 w/2 JSPF 42 holes. Acidize w/4k gals 15% HCl.  
1/15/10 Swab test San Andres.  
2/4/10 Set CIBP @ 3928' Perf Grayburg @ 3727, 28, 29, 82, 84, 86, 94, 3802, 06, 13, 18, 22, 30, 32, 50, 53, 56, 65 w/4 JSPF. 72 holes. Dump 2 sx of Class C cmt, TOC @ 3910'  
2/5/10 Acidize w/3k gals 15% HCl.  
2/8/10 Frac w/34129 gals gel & 54452# 20/40 sd.  
2/9/10 RIH w/tbg @ 3867'.  
2/10/10 RIH w/pump and rods. Set 320 pumping unit. Producing Grayburg only.

Spud Date:

12/28/2009

Rig Release Date:

01/01/2010

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

SIGNATURE

*Amber Cooke*

TITLE Engineering Tech

DATE 02/26/2010

Type or print name Amber Cooke

E-mail address: amber.cooke@apachecorp.com

PHONE: 918.491.4968

**For State Use Only**

APPROVED BY:

*[Signature]*

TITLE

**PETROLEUM ENGINEER**

DATE

**MAR 11 2010**

Conditions of Approval (if any):