

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

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

WELL API NO. 30-025-06690
5. Indicate Type of Lease <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE
6. State Oil & Gas Lease No. 16814
7. Lease Name or Unit Agreement Name DC Hardy
8. Well No. 3
9. Pool name or Wildcat Penrose Skelly; Grayburg (50350)

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
6120 South Yale, Suite 1500 Tulsa, Oklahoma 74136-4224 (918) 491-4957

4. Well Location
Unit Letter P : 510 Feet From The South Line and 660 Feet From The East Line
Section 20 Township 21S Range 37E NMPM Lea County

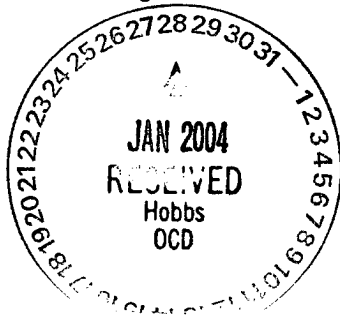
10. Elevation (Show whether DP, RKB, RT, GR, etc.)
3485' GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
<input type="checkbox"/> Perform Remedial Work	<input type="checkbox"/> Remedial Work
<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Altering Casing
<input type="checkbox"/> Temporarily Abandon	<input type="checkbox"/> Commence Drilling Operations
<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandonment
<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Casing Test and Cement Job
<input checked="" type="checkbox"/> Other Add additional Grayburg pay	<input type="checkbox"/> Other

12. 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.

1. Run CBL from 4400' to 3000'. Squeeze or circulate cement if needed and drill out squeeze.
2. Perforate 3926'-3938' /w 4 SPF.
3. Acidize new perforations 3926' - 3938' with 1000 gal acid.
4. Frac new perforations 3926'- 3938' down tubing with 36,000 gal crosslinked gel and 80,000 lbs sand.
5. Clean out and place well on production.



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

SIGNATURE Kara Coday TITLE Sr. Engineering Technician DATE 1/27/2004

TYPE OR PRINT NAME Kara Coday PHONE NO. 918-491-4957

(This space for State Use)

APPROVED BY Lang W. Wink DATE JAN 29 2004

CONDITIONS OF APPROVAL, IF ANY: