

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 87401

District IV

1220 S St Francis Dr, Santa Fe, NM 87505

RECEIVED

SEP 13 2010

HOBOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39654

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

MERIT

8. Well Number 003

9. OGRID Number 873

10. Pool name or Wildcat

House; Tubb <78760> House; Drinkard

<33250> House; Blinbry <33230>

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: Oil with Gas

2. Name of Operator

APACHE CORPORATION

3. Address of Operator 303 VETERANS AIR PARK LANE, STE. 3000

MIDLAND, TX 79705

4. Well Location

Unit Letter O : 313 feet from the SOUTH line and 2260 feet from the EAST line

Section 11 Township 20S Range 38E NMPM County LEA

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

3572'

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☒ P AND A ☐

CASING/CEMENT JOB ☒

OTHER: RIG RELEASE ☒

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.

7/15/10: MIRU Capstar 19, Spud 7/15/10, Drlg f/40-1580

7/16/10: Drlg f/1580-1597, drop gyro, TOO H f/1597 - 1456, tight hole, DP stuck, fish gyro.

7/17/10: Engage @ 1286, work fish, pull & work up to 1196, bit @ 1332, back reaming.

7/18/10: TIH, engage fish @ 1286, fish free, TOO H, clean out bit run, RU csg crew, run FS, FC, 36 jts 8.625" 24# K-55 csg, set @ 1597.

7/19/10: Circ, cmt Leadw/650 sx Class C w/ 3# LCM1, 4% Gel 0.25 CF, 2% CACL2 (13.5# 1.75 yld 8.9 gal/sx), Tail: 200 sx Class C w/ 2% CACL, 0.13# CF, (14.8# 1.34 yld 6.33 gal/sx), bump plug, circ 76 sx, 24 bbl, cmt to surf, float held, RD BJ, WOC.

7/20 - 7/21: TIH, drlg cmt f/1597 - 2772, circ, TOH.

7/22 - 7/24: Drlg f/2772 - 5110, pipe leak, TOO H 500', repl packing, TIH, wash to btm, drlg f/5110 MD, 5091 TVD to 5429 MD 5409 TVD.

7/25 - 7/27: Drlg f/5429 MD 5409 TVD to 7270 MD 7250 TVD, pmp sweep, TOH, LD dir tools, RU loggers, run Comp Neutron, Photo Den, Spec GR, Dual Lat, Micro Lat, Comp Sonic, Integ Trans Times, Calip Log, RD WL, tag @ 7278, RR 7/27/10.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Sorina L. Flores TITLE: Drilling Tech DATE: 9/10/2010

Type or print name SORINA L. FLORES E-mail address: sorina.flores@apachecorp.com Telephone No. 432-818-1167

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APPROVED BY: [Signature] TITLE: PETROLEUM ENGINEER DATE: SEP 13 2010

Conditions of Approval (if any):