

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

Department of Minerals and Natural Resources

Form C-103

June 19, 2008

RECEIVED

SEP 29 2010 CONSERVATION DIVISION

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

HOBBSSOC

WELL API NO. 30-025-06617
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. BO-0085-0016
7. Lease Name or Unit Agreement Name State DA
8. Well Number 005
9. OGRID Number 873
10. Pool name or Wildcat Penrose Skelly; Grayburg

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

303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705

4. Well Location

Unit Letter I : 1980 feet from the South line and 330 feet from the East line

Section 16 Township 21S Range 37E NMPM County Lea

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

3474' GL

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: Abandon Paddock, Squeeze/Perf/Frac Grayburg ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Apache intends to P&A the Paddock and squeeze off the Grayburg interval, per the attached procedure:

Spud Date:

03/04/1952

Rig Release Date:

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

SIGNATURE Reesa Holland

TITLE Sr. Engr Tech

DATE 09/23/2010

Type or print name Reesa Holland

E-mail address: Reesa.Holland@apachecorp.com

PHONE: 432/818-1062

For State Use Only

APPROVED BY: [Signature]

TITLE PETROLEUM ENGINEER

DATE

SEP 27 2010

Conditions of Approval (if any):

[Handwritten mark]



AFE No: TW- 10- 4187

State DA #5

API #: 30-025-06617

1980' FSL & 330' FEL

Section 16, Township 21S, Range 37E

Lea County, New Mexico

P&A Paddock, Squeeze Grayburg A & Perf/Frac Grayburg B & C Pay

1 September 2010

Recommended Procedure:

1. MIRU pulling unit. POOH w/rods & pump. POOH w/2-7/8" prod tbg.
2. RIH w/4-3/4" bit & 5-1/2", 17# csg scraper on 2-7/8" ws to 5350'. POOH.
3. RU wireline service. RIH w/Compensated Neutron / GR / CCL log. Log well from 4000' to 3400'. POOH. (Send logs to Midland office for evaluation).
4. RIH w/CIBP. Set plug @ 5320'. Dump bail 35' cmt cap on CIBP to 5285' to abandon the Paddock perfs.
5. RIH w/cmt retainer. Set retainer @ +/-3675'. Squeeze Grayburg A interval 3725' – 75' w/100 sx cmt. Attempt to get squeeze of at least 1,000 psi. POOH w/tbg.
6. RIH w/4-3/4" bit, DCs & BHA on 2-7/8" ws. Drill out retainer & cmt. Pressure test squeeze to 500 psi. POOH.
7. Rig up wireline service.
8. Perf Grayburg B & C intervals as per log evaluation from +/-3780' – 3900'. (Exact perfs to follow).
9. RIH w/5-1/2" treating pkr & 2-7/8" workstring. Set pkr @ +/- 3675'.
10. Acidize Grayburg B & C intervals w/2,000 gals 15% HCL-NE-FE acid and ball sealers.
11. Release pkr & run through perfs to knock off balls. POOH.
12. RIH w/treating pkr on 3-1/2" frac string. Set pkr @ +/-3675'.
13. Rig up Frac Company. Frac Grayburg B & C intervals w/80,000# 20/40 SLC resin coated sand. (2-5 ppg ramp).
14. Release pkr & POOH laying down 3-1/2" frac string.
15. RIH w/bit & 2-7/8" ws. Clean well out to +/-4000'. POOH.
16. RIH w/2-7/8" prod tbg. Land SN @ +/- 3925'. RIH w/1-1/2" pump & rods.
17. Place well in test.

WELL DATA SHEET

Last Update: 12-7-09

Lease Name: State DA #5

API No: 30-025-06617

Location: 1980's/330'E
Unit I, Sec 16, T-21S, R-37E

County: Lea ST: NM

Spud Date: 3-4-52 Well Elev: 3462' GL 12' KB

TD Date: 4-28-52 Completion Date: 5-7-52

TD: 8330' PBDT: 5665' TOC: 3448' (tss)

13 3/8" 36" - 258' 2000x (Circ)

Csg Size: 8 5/8" Wt: 24/34/36" Grd: 5-55 Dpth: 2820' Cmt: 1500x

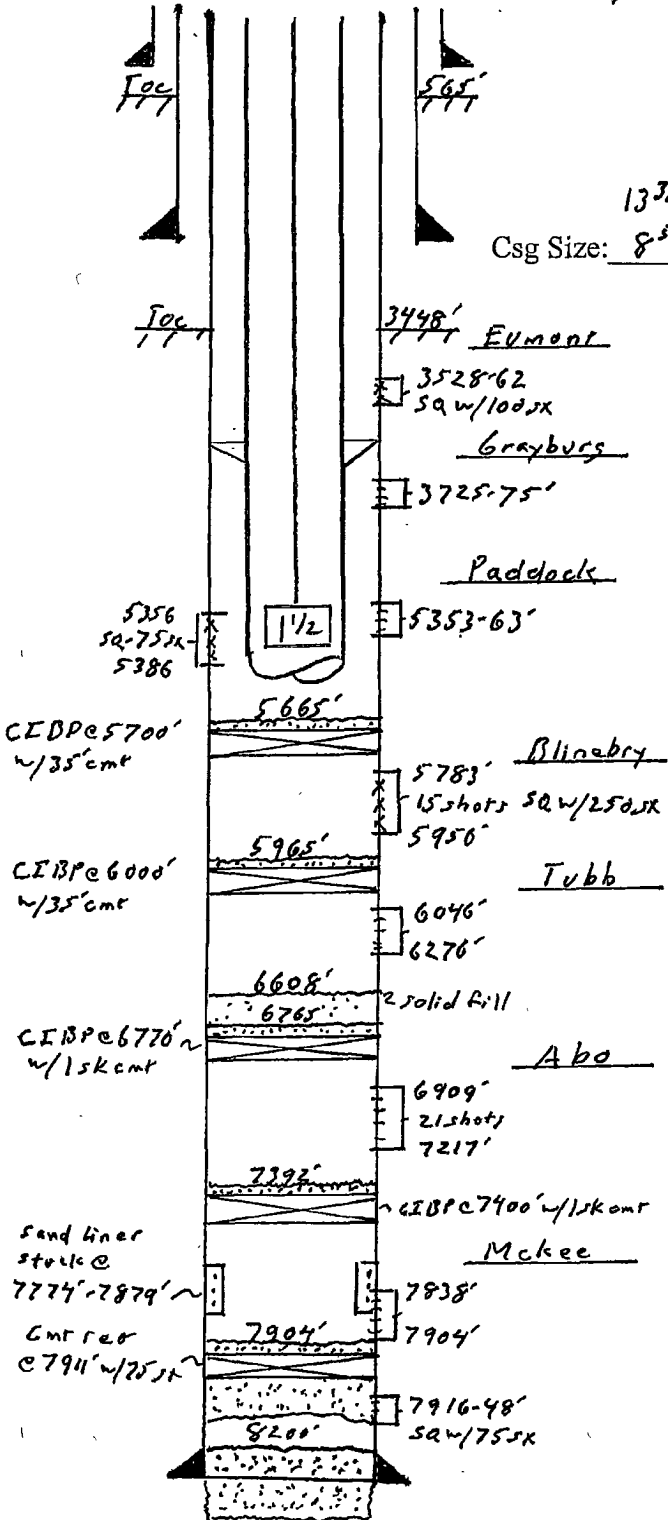
Producing Formation: Grayburg / Paddock

Perfs: From 3725' to 75' 1/spf _____ to _____

5353' to 63' 2/spf _____ to _____

IP: _____ BOPD _____ BWPD _____ MCF/D

Well History: (See Attached)



Well Equipment:

Pumping Unit: 640 PV

Motor Type: _____ HP: _____ POC: _____

Tbg: 168 Jts 2 7/8" Size 6.5" Grade _____

MA @ 5481' SN @ 5445' TAC @ 3658' (8-24-05)

Rods: 73-1 1/4" FG + 42-7/8" KO + 64-3/4" KO

Pump: 2" x 1 1/2" x 24" RH BC (6-24-05)

Csg Size: 5 1/2" Wt: 15.5/17" Grd: - Dpth: 8225' Cmt: 500x