

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

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HOBBSCOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-23601

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

MCGRAIL STATE

8. Well Number 009

9. OGRID Number 873

10. Pool name or Wildcat
Monument Abo

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 Ln. Midland, TX 79705

4. Well Location

Unit Letter K : 1980 feet from the S line and 1650 feet from the W lineSection 26 Township 19 Range 36 NMPM County LEA

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

3681' GR

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: Recomplete Ta'd well to Abo ☒

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.

Recompleted TA'd well McGrail State #9 to Abo. Please see attached procedure.

7/15/2010: MIRU CO to 6600', drill out CIBP @ 6600'

7/20/10: Sqz. Yeso perfs @ 6622-6716'

7/23/10: DO CIBP @ 7095', CO to 7490'

7/26/10: Perf Abo @ 7422-7455' SPF total of 67 holes

7/27/10: Acidize Abo perfs w/7500 gal 15% NEFE

8/3/10: RIH w/sub equip.

8/4/10: RWTP

Spud Date: 10/15/1996

Rig Release Date: Unknown

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

SIGNATURE

TITLE Engineering Tech

DATE: 10/6/10

Type or print name Katie Kauffman

E-mail address: katie.kauffman@apachecorp.com

PHONE: 432.818.1065

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

OCT 25 2010

Conditions of Approval (if any):

APACHE CORPORATION

PROCEDURE

McGrail State #9

AFE No.: TW-10-3664

April 29, 2010

Prepared by Jeff Gasch

Objective

Recomplete TA'd well to Abo.

Current Well Information

| | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Field Name: | Monument |
| Well Name: | McGrail State #9 |
| API Number: | 30-025-33607 |
| County, State: | Lea County, New Mexico |
| Section, Block, and Survey: | Sec 26-19S-36E |
| Surface Location: | 1980' FSL 1650' FWL |
| Ground Elevation: | 3681.0' |
| KB Elevation: | 3697.0' |
| Casing Set: | 8.625" 24/32# K55 set at 2845' w/ 1000 sx, circ 106 sx 5.5" 15.5/17# K55 set at 8000' w/ 270 sx, TOC @ 6450' Squeezed 1075 sx in holes at 6080' |
| Perfs: | 6622-6716' (Yeso), 7183-7455' (Abo) |
| PBTD: | 6600' (CIBP) |
| Status: | TA'd w/ CIBP @ 6600' |

Procedure

1. MIRUPU. NDWH, NUBOP. MI 7600' 2-7/8" workstring.
 2. RIH w/ 4-3/4" bit on WS.
 3. RU reverse unit and CO well to CIBP @ 6600'. Circ well clean w/ FW.
 4. DO CIBP @ 6600' and clean out to next CIBP @ $\pm 7075'$. Circ well clean w/ FW. POOH w/ bit.
 5. RIH w/ pkr to $\pm 6550'$. Set pkr and test TCA to 500 psi. Notify Engineering if csg does not test good.
 6. Establish injection rate and pressure into Yeso perms at 6622-6716'. POOH w/ pkr.
 7. RIH w/ CICR. Pump tbq volume through retainer before setting at $\pm 6550'$.
 8. Squeeze Yeso perms w/ cmt leaving 10-20' cmt on top of retainer. Cement will be designed based on rate and pressure obtained in step #6. POOH & WOC.
 9. RIH w/ 4-3/4" bit. DO sqz and test to 500 psi.
 10. If sqz tests good, DO CIBP @ 7095' and CO well to $\pm 7500'$. Circ well clean. POOH and LD bit. Contact Engineering if sqz does not hold.
 11. RU wireline and re-perforate the Abo at 2 spf & 120 deg phasing as follows:
7422-55' (23', 47 holes)
- Correlate to SLB Neutron/Density Log dated 11/3/96**
12. RIH w/ treating pkr & set at $\pm 7300'$. Acidize perms with 7500 gals 15% NEFE HCL in 3 stages using rock salt for diversion. Swab back acid load.
 13. POOH w/ pkr.
 14. RIH w/ ESP on 2-7/8" production tubing. Land bottom of pump assembly at $\pm 7400'$.
 15. NDBOP, NUWH. RDMOPU.