

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

RECEIVED

OCT 22 2010

HOBBSD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. /

30-025-36115

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

BO-1557

7. Lease Name or Unit Agreement Name

State C Tract 12 /

8. Well Number 012 /

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 E : 1330 feet from the North line and 330 feet from the West line
Section 16 Township 21S Range 37E NMPM County Lea /

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

3476' 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 ☐OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: ADDED GRAYBURG PERFS

☒

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.

This well has been producing from Grayburg perfs @ 3934'-3974'; Apache added and treated additional Grayburg perfs as follows:

10/05/2010 MIRUSU. POOH w/prod equip. Cleaned out fill to 4052'; circ clean.

10/06/2010 Perf Grayburg @ 3755', 68', 72', 76', 83', 88', 3804', 06', 08', 10', 12', 14', 23', 33', 35', 37', 39', 41', 43', 45', 51', 53', 55', 63', 65', 67', 77', 81', 83', 85' w/2 SPF, 60 holes.

10/07/2010 Acidize Grayburg w/1500 gal HCl & 1500# Rock Salt. PU RBP w/pkr & set plug @ 3910'; test plug. Acidize w/3000 gal 15% NEFE.

10/08/2010 Swab Grayburg.

10/11/2010 Frac Grayburg w/4914 gal SS-30; SD due to bad viscosity. Start over w/31,983 gal SS-30; 80,040# 20/40 sand, flush w/ 3540 gal linear gel.

10/12/2010 Wash sand to top of RBP @ 3910'; latch onto plug & POOH. RIH w/prod tbg.

10/13/2010 RIH w/prod equip & RTP.

Spud Date:

01/26/2003

Rig Release Date:

02/02/2003

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 10/21/2010

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

OCT 25 2010

Conditions of Approval (if any):