

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMLC029395B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
LEE FEDERAL 51

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

APACHE CORPORATION

Contact: SORINA L FLORES

9. API Well No.

30-015-40034-00-X1

3a. Address

303 VETERANS AIRPARK LANE SUITE 3000
MIDLAND, TX 79705

3b. Phone No. (include area code)

Ph: 432.818.1167

10. Field and Pool, or Exploratory
CEDAR LAKE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 17 T17S R31E NWSW 1620FSL 330FWL

11. County or Parish, and State

EDDY COUNTY, NM

RECEIVED

APR 01 2013

NMOCD ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BOND#: BLM-CO-1463 / NMB000736

Apache Corporation proposes to use a 13-5/8" 3M psi WP BOP (EXHIBIT 3) consisting of an annular bag type preventer. The BOP will be nipped up on the 13-3/8" surface csg head & tested to 2000psi using a test plug. After intermediate csg is set & cemented a 13-5/8" or a 11" 3M BOP consisting of an annular bag type preventer, middle blind rams, and bottom pipe rams (see EXHIBIT 3A) will be installed & utilized continuously until TD is reached. The BOP will be tested at 2000 psi (maximum surface pressure is not expected to exceed 2M psi). BHP is calculated to be approximately 2819 psi. All BOPs & associated equipment will be tested as per BLM Drilling Operations Order #2. The BOPs will be operated and checked each 24 hr period & the blind rams will be operated & checked when the drill pipe is out of the hole. Functional tests will be documented on the daily driller's log. EXHIBITS 3 & 3A also show a 3M psi choke manifold with a 3" blow down line. Full opening

Accepted for record

NMOCD

709
4/2/2013

SEE ATTACHED FOR

14. I hereby certify that the foregoing is true and correct.

CONDITIONS OF APPROVAL

Electronic Submission #202675 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 03/27/2013 (13KMS5693SE)

Name (Printed/Typed) SORINA L FLORES

Title SUPERVISOR - DRILLING SERVICES

Signature (Electronic Submission)

Date 03/26/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 03/27/2013

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

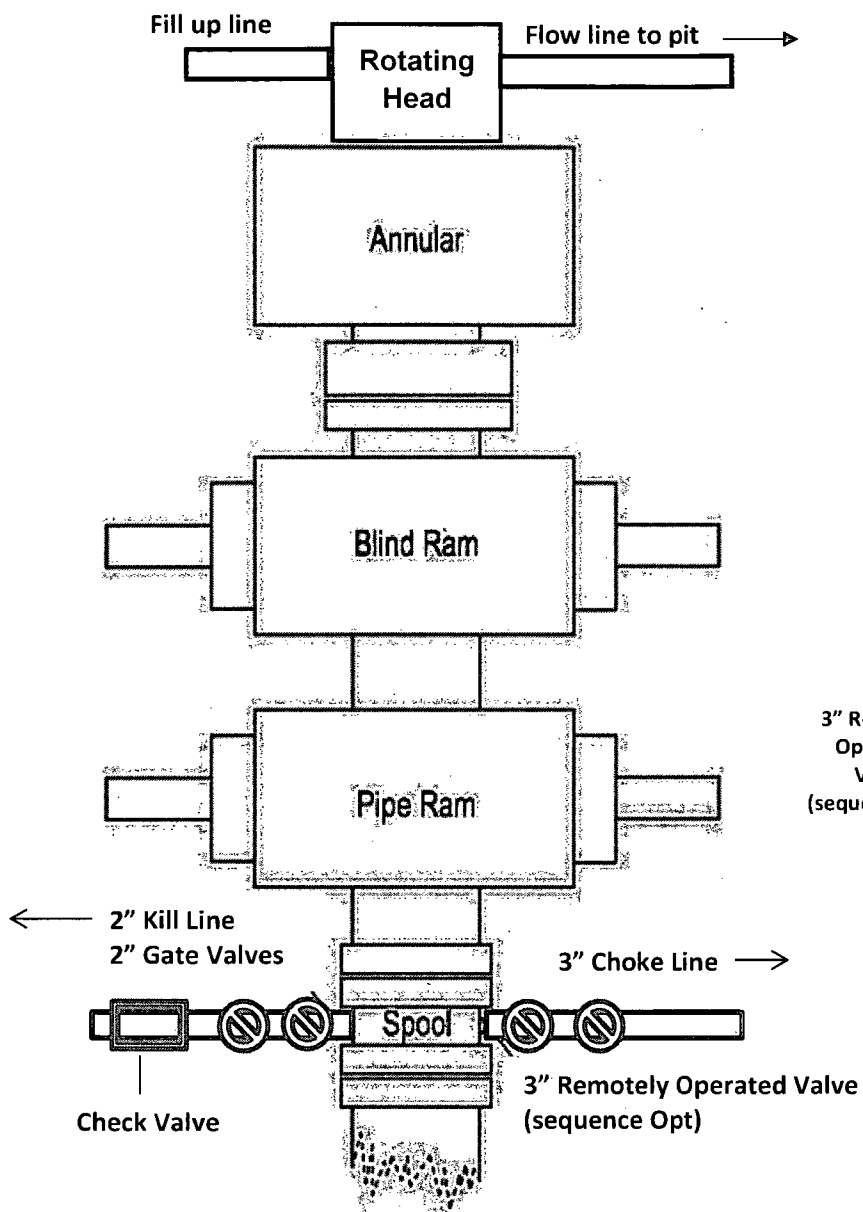
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Additional data for EC transaction #202675 that would not fit on the form

32. Additional remarks, continued

stabbing valve & kelly cock will be on derrick floor in case of need. No abnormal pressures or temperatures are expected in this well. No nearby wells have encountered any well control problems.

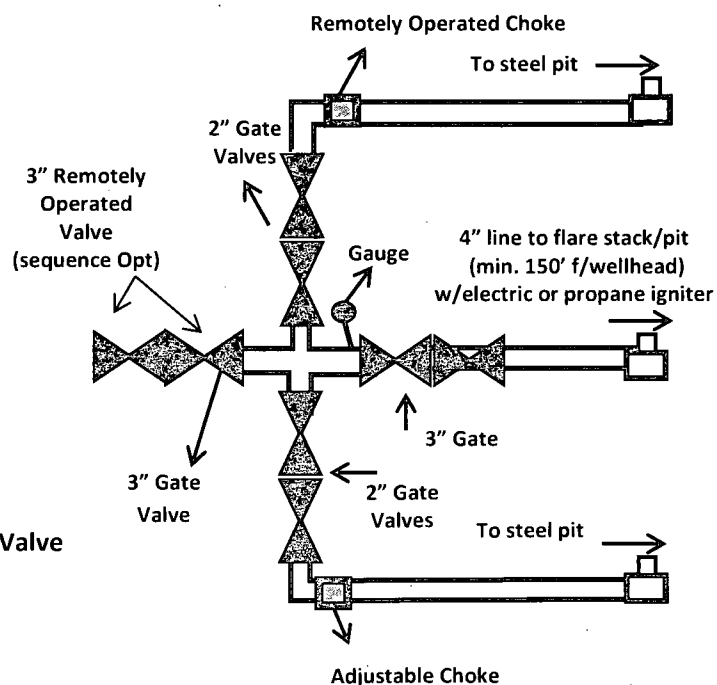
** Well scheduled to spud 3/27/2013



**11" or 13-5/8" 3M psi
BOPE & Choke Manifold
EXHIBIT 3A**

All valve & lines on choke manifold are 2" unless noted.
Exact manifold configuration may vary

installed intermediate csq

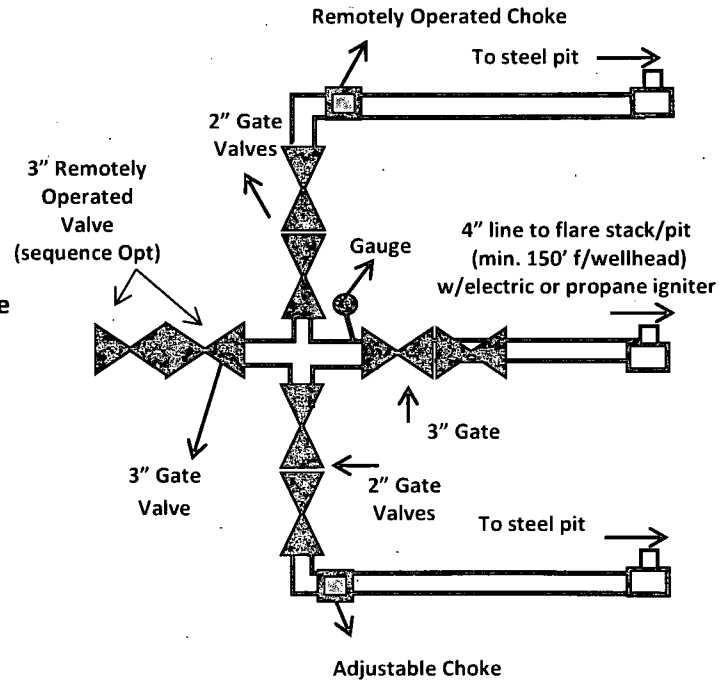
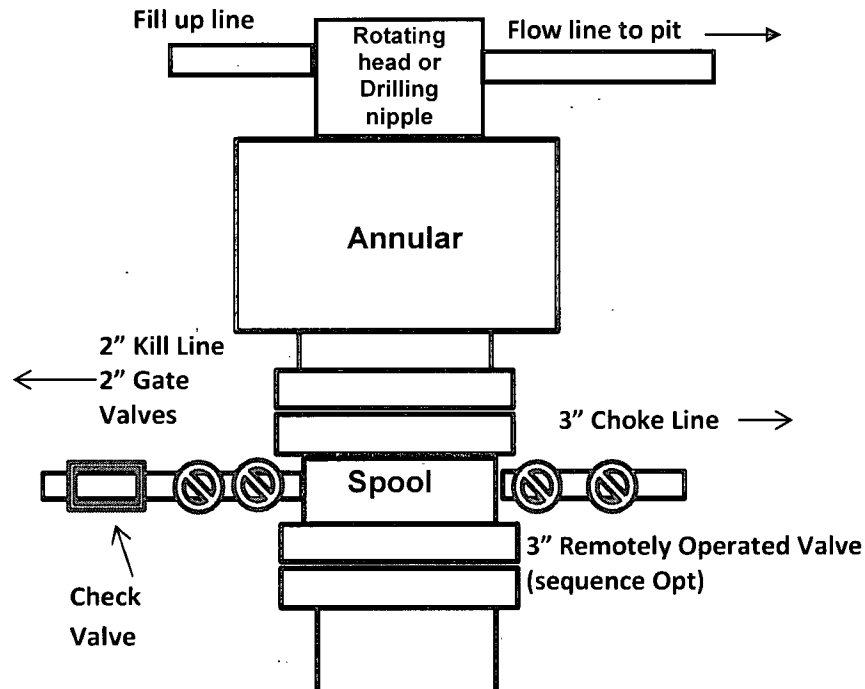


All bleed lines to pit
Minimum 2"

**13-5/8" 3M psi
BOPE & Choke Manifold
EXHIBIT 3**

All valve & lines on choke manifold are 2" unless noted.
Exact manifold configuration may vary

Installed on Surface CSG

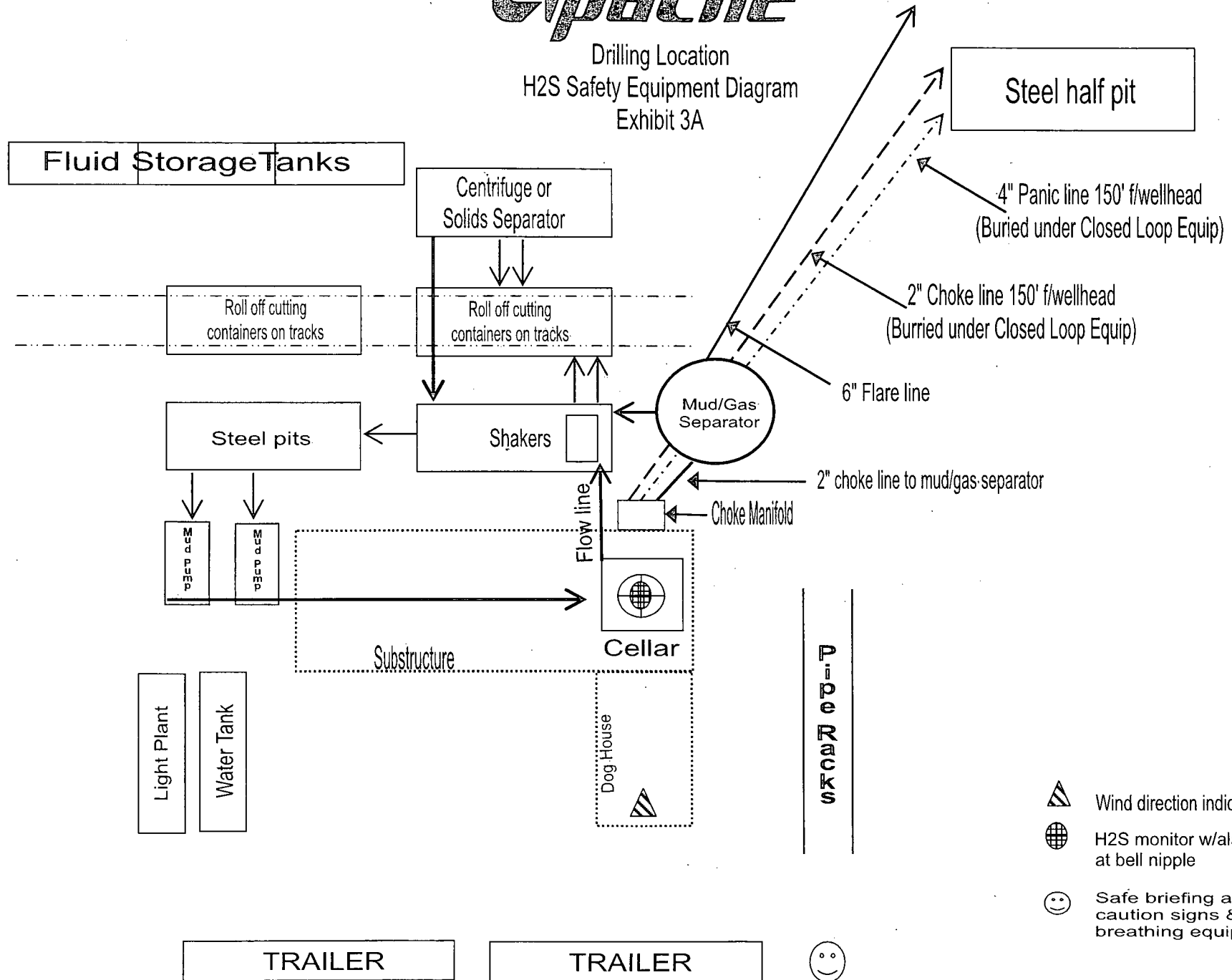


All bleed lines to pit
Minimum 2"

Apache

Drilling Location
H2S Safety Equipment Diagram
Exhibit 3A

Exhibit From Original APD



CONDITIONS OF APPROVAL

Sundry dated 03/26/2013

OPERATOR'S NAME:	Apache Corporation
LEASE NO.:	LC029395B
WELL NAME & NO.:	51 Lee Federal ----30-015-40034
SURFACE HOLE FOOTAGE:	1620' FSL & 330' FWL
LOCATION:	Section 17, T.17 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

Original COA still applies with the following changes:

A Hydrogen Sulfide (H₂S) Drilling Plan should be activated **500 feet** prior to drilling into the **Grayburg** formation. **As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**

A. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi**.
NOTE: In the case where the only BOP installed is an annular preventer, it shall be tested to a minimum of 2000 psi (which may require upgrading to 3M or 5M annular).
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **8-5/8"** intermediate casing shoe shall be **2000 (2M) psi**. **Operator installing a 3M system and testing as a 2M. Note: All components of a 3M system are required to be tested.**

EGF 032713