

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | |
|--|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMLC029548A |
| 2. Name of Operator APACHE CORPORATION | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) Ph: 432.818.1167 | | 8. Well Name and No. Multiple--See Attached |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached | | 9. API Well No. Multiple--See Attached |
| | | 10. Field and Pool, or Exploratory CEDAR LAKE |
| | | 11. County or Parish, and State EDDY COUNTY, NM |

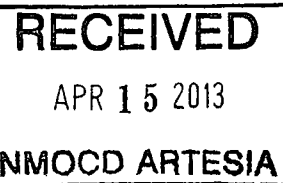
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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
NMOC D

| | |
|---|--------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #202686 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 03/28/2013 (13KMS5735SE) | |
| 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 <u>CHRISTOPHER WALLS</u> | Title <u>PETROLEUM ENGINEER</u> | Date <u>04/11/2013</u> |
| 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 <u>Carlsbad</u> |

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 ****

Additional data for EC transaction #202686 that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|-------------|-------------|-----------------------|--------------------|---------------------------------------|
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 12 | 30-015-40957-00-X1 | Sec 18 T17S R31E SENW 1650FNL 2260FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 13 | 30-015-40958-00-X1 | Sec 18 T17S R31E NWNW 980FNL 2180FEL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 14 | 30-015-40959-00-X1 | Sec 18 T17S R31E Lot 2 2310FNL 990FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 15 | 30-015-41043-00-X1 | Sec 18 T17S R31E Lot 1 405FNL 530FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 16 | 30-015-40960-00-X1 | Sec 18 T17S R31E SWNE 1535FNL 1655FEL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 17 | 30-015-41036-00-X1 | Sec 18 T17S R31E Lot 1 1115FNL 515FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 19 | 30-015-41044-00-X1 | Sec 18 T17S R31E Lot 2 2350FNL 450FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 20 | 30-015-41045-00-X1 | Sec 18 T17S R31E SENW 2370FNL 1525FWL |
| NMLC029548A | NMLC029548A | COFFEE FEDERAL 21 | 30-015-40961-00-X1 | Sec 18 T17S R31E SWNE 2120FNL 2565FEL |

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.

** Apache proposes and requests approval to use above BOP on the following APD's:

Coffee Federal #13 - 30-015-40958
Coffee Federal #14 - 30-015-40959
Coffee Federal #15 - 30-015-41043
Coffee Federal #16 - 30-015-40960
Coffee Federal #17 - 30-015-41036
Coffee Federal #19 - 30-015-41044
Coffee Federal #20 - 30-015-41045
Coffee Federal #21 - 30-015-40961

H2S Warning Sign
~ 200' but no
more than 500'
from well location

Primary briefing
area w/SCBA



TRAILER

TRAILER

Apache

Drilling Location
H2S Safety Equipment Diagram
Exhibit 3A

Existing Road and location entry

Secondary
Egress



Access

Dog House

Water Tank

Light Plant

Cellar

Substructure

Flow line

Choke Manifold

2" choke line to pit

Shakers

Steel pits

Roll off cutting
containers on tracks

Solids Separator

Roll off cutting
containers on tracks

Fluid Storage Tanks

2" Choke line 150' f/wellhead
(Buried under Closed Loop Equip)

4" Panic line to "gas buster" 150' f/wellhead
(Buried under Closed Loop Equip)

Steel half pit w/
mounted "Gas Buster"

2" choke line
not to "gas buster"

Coffee Federal #12



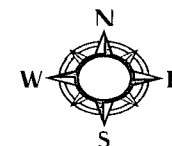
Windstock indicators



Prevailing Wind: vary SW to NE



H2S monitor/walarm



Apache

Closed Loop Equipment Diagram

Exhibit 4

