

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



NM70945X
3180 (P0220)

RECEIVED OOD

2012 OCT 24 P 12:43

Reference

2011 Review of Operations and 2012 Plan of Development

Empire Abo Unit NM70945X

Eddy County, New Mexico

CERTIFIED—RETURN RECEIPT REQUESTED
7008 3230 0002 0987 5745

OCT 19 2012

Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, Texas 79705-4561

Gentlemen:

The 2011 Review of Operations and 2012 Plan of Development (POD) for the referenced Unit is incomplete and cannot be approved until the following items are submitted. Since this unit was put together as a pressure maintenance project, the BLM requests that the operator provide an updated reservoir analysis.

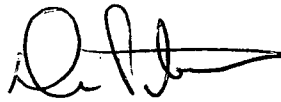
1. Operator to submit structural, gross and net isopach maps in more legible and larger format and must include an appropriate legend and be properly scaled for necessary resolution.
2. Operator to submit an updated Exhibit "A" and "B".
3. Operator to provide a geological and reservoir engineering write up on past, current and future pressure maintenance project. Salt water disposal and/or water injections wells are being proposed in the area; operator to indicate how these wells and current injection wells will maintain and or increase oil production throughout the field.
4. The operator shall indicate how the current drilling activity within the unit ties into their geological and reservoir engineering study of the ongoing pressure maintenance project. Indicating that a field study is being done over the last two years per POD is insufficient, there should be some sort of milestones reached by now with primarily results and conclusions.
5. Legible field map showing lease roads, flow lines and surface facilities.

6. Pursuant to Section 18 of the unit agreement, the operator shall take appropriate and adequate measures to prevent drainage of unitized substances. As operator of this agreement, you are hereby required to provide a Self-Certification Statement indicating that you have taken the appropriate measures to prevent drainage of unitized substances.

7. All requested documentation shall be submitted in triplicate.

Please contact Edward G. Fernandez, Petroleum Engineer, at 575-234-2220 if you have any questions.

Sincerely,



Don Peterson
Assistant Field Manager
Lands and Minerals

Enclosure

cc: Commissioner of Public Lands
NMOCD (Santa Fe, NM)
NM9210
NMP0220