

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator **Apache Coporation**

3a. Address  
**303 Veterans Park Lane, Suite 3000, Midland, TX 79705**

3b. Phone No. (include area code)  
**432-818-1062**

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

5. Lease Serial No.

**NMLC029395B**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**Lee Federal**

9. API Well No.

**See Attached**

10. Field and Pool, or Exploratory Area  
**Cedar Lake; Glorieta-Yeso**

11. County or Parish, State

**Eddy County, NM**

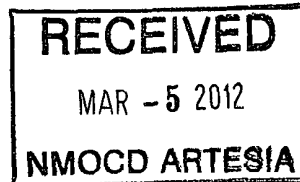
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |                                                      |                                                    |                                         |  |
|------------------------------------------------------|-----------------------------------------------|------------------------------------------------------|----------------------------------------------------|-----------------------------------------|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> 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 checked="" type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |  |
|                                                      | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon            | <input type="checkbox"/> Temporarily Abandon       |                                         |  |
|                                                      | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back                   | <input type="checkbox"/> Water Disposal            |                                         |  |

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 recompleate 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 recompleation 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.)

Per the attached Plot Plan and Survey Plat, Apache would like permission to build a new battery only 100-200 yards away from the existing battery for the Lee Federal wells.

Since acquiring this property from Marbob, it has been determined that a larger battery is needed to accommodate additional drilling. All interests are the same for all wells going to this battery (see letter attached).



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Reesa Holland**

Title **Sr. Staff Engr Tech**

Signature

*Reesa Holland*

Date

**02/28/2012**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Date

Office

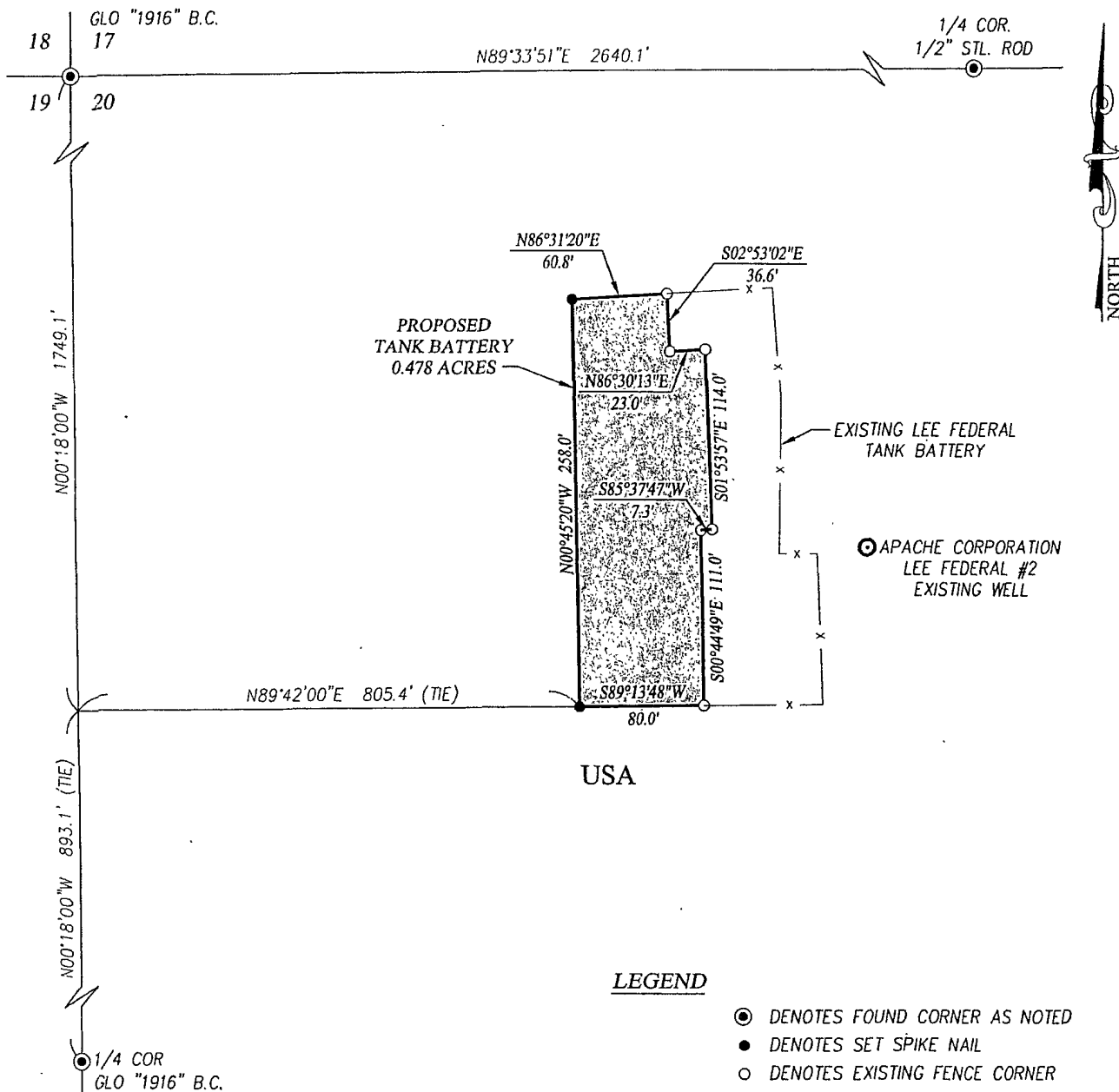
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

To Operator APACHE CORPORATION OGR/D 873

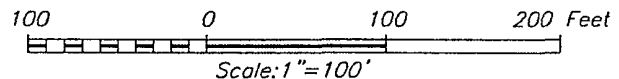
| <u>Property</u> | <u>Well Name</u>  | <u>Lease</u><br><u>Type</u> | <u>ULSTR</u> | <u>OCU</u><br><u>Unit</u> | <u>API</u>    | <u>Well</u><br><u>Type</u> | <u>Pool ID</u> | <u>Pool Name</u>          |
|-----------------|-------------------|-----------------------------|--------------|---------------------------|---------------|----------------------------|----------------|---------------------------|
| 23300           | LEE FEDERAL #001  | F                           | G-20-17S-31E | G                         | 30-015-30243✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #002  | F                           | E-20-17S-31E | E                         | 30-015-30268✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #003  | F                           | I-20-17S-31E | I                         | 30-015-30269✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #005  | F                           | H-20-17S-31E | H                         | 30-015-33029✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #006  | F                           | F-20-17S-31E | F                         | 30-015-30424✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #008  | F                           | K-20-17S-31E | K                         | 30-015-30598✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #010  | F                           | F-20-17S-31E |                           | 30-015-30511✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #011  | F                           | J-20-17S-31E | J                         | 30-015-32737✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #012  | F                           | H-20-17S-31E |                           | 30-015-30508✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #013  | F                           | I-20-17S-31E | I                         | 30-015-30425✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #014  | F                           | A-20-17S-31E | A                         | 30-015-32072✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #015  | F                           | B-20-17S-31E | B                         | 30-015-32048✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #016  | F                           | C-20-17S-31E | C                         | 30-015-32049✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #017  | F                           | D-20-17S-31E | D                         | 30-015-32648✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #018  | F                           | D-20-17S-31E | D                         | 30-015-31952✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #019  | F                           | C-20-17S-31E | C                         | 30-015-31962✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #020Y | F                           | B-20-17S-31E | B                         | 30-015-32087✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #021  | F                           | A-20-17S-31E | A                         | 30-015-32073✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #027  | F                           | N-17-17S-31E | N                         | 30-015-32321✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #029  | F                           | P-17-17S-31E | P                         | 30-015-32376✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #030  | F                           | L-17-17S-31E | L                         | 30-015-32296✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #031  | F                           | L-17-17S-31E | L                         | 30-015-32297✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #032  | F                           | M-17-17S-31E | M                         | 30-015-33214✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #034  | F                           | M-17-17S-31E | M                         | 30-015-32738✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #035  | F                           | N-17-17S-31E | N                         | 30-015-32744✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #036  | F                           | O-17-17S-31E | O                         | 30-015-32739✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #037  | F                           | P-17-17S-31E | P                         | 30-015-32769✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #039  | F                           | G-20-17S-31E | G                         | 30-015-32740✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
|                 | LEE FEDERAL #040  | F                           | E-20-17S-31E | E                         | 30-015-32745✓ | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |

SECTION 20, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY NEW MEXICO



**LEGEND**

- ⊙ DENOTES FOUND CORNER AS NOTED
- DENOTES SET SPIKE NAIL
- DENOTES EXISTING FENCE CORNER
- x — DENOTES FENCE LINE

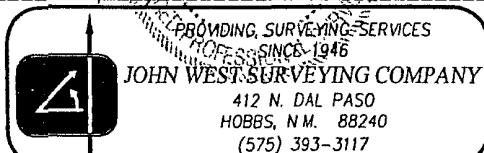


I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

RONALD J. EIDSON

DATE:

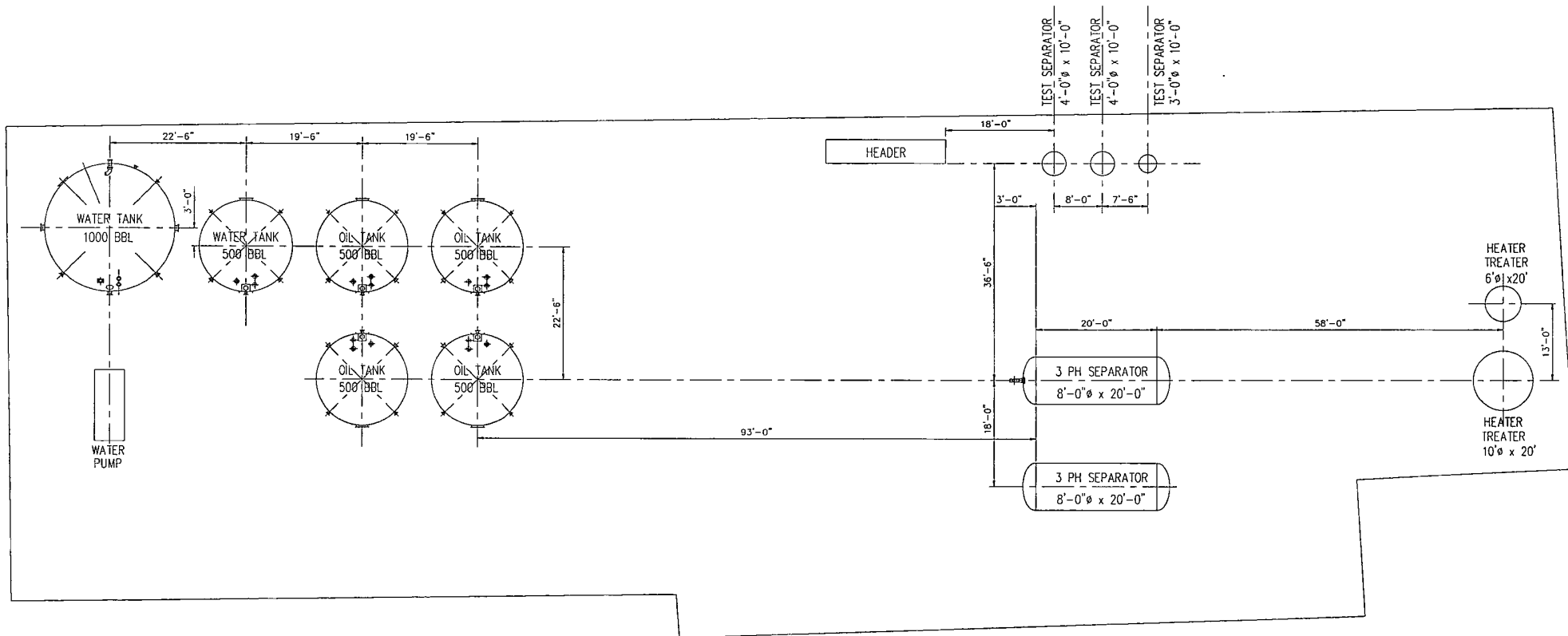
01/25/2012



**APACHE CORPORATION**

SURVEY OF A TANK BATTERY  
SITUATED IN SECTION 20,  
TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO

|                           |                         |
|---------------------------|-------------------------|
| Survey Date: 12/10/11     | Sheet 1 of 1 Sheets     |
| W.O. Number: 11.11.2558   | Dr. By: DSS Rev 1:      |
| Date: 12/28/11 Rel. W.O.: | 11112558 Scale: 1"=100' |



NOTE

| REFERENCE DRAWINGS |       | REVISIONS |      |             | ENGINEERING RECORD |     |              |
|--------------------|-------|-----------|------|-------------|--------------------|-----|--------------|
| NO                 | TITLE | NO        | DATE | DESCRIPTION | BY                 | CHK | APP          |
|                    |       |           |      |             |                    |     | DRN          |
|                    |       |           |      |             |                    |     | DES          |
|                    |       |           |      |             |                    |     | CHK          |
|                    |       |           |      |             |                    |     | APP          |
|                    |       |           |      |             |                    |     | AFC NO       |
|                    |       |           |      |             |                    |     | FACULTY ENGR |
|                    |       |           |      |             |                    |     | PROJ ENGR    |
|                    |       |           |      |             |                    |     | SCALE        |

**Apache**

LEE FEDERAL #2  
PLOT PLAN  
OPTION 2

EDDY COUNTY

NEW MEXICO

PLOT SCALE  
CAD NO

DWG NO

LEEFED#2\_OP2

REV



February 28, 2012

Carlsbad Field Office  
BUREAU OF LAND MANAGEMENT  
620 East Greene Street  
Carlsbad, New Mexico 88220

Re: Identical Ownership -- Lee Federal Wells  
Township 17 South, Range 31 East  
Section 17, 20, 29 and 30  
Eddy County, New Mexico

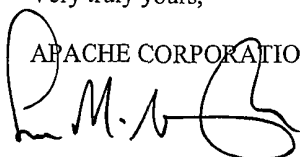
Ladies and Gentlemen:

Identical ownership exists under Federal Lease LC 029395 B as it pertains to the following described lands:

Township 17 South, Range 31 East  
Section 17: NW/4 SW/4, S/2 S/2  
Section 20: ALL  
Section 29: N/2  
Section 30: LOT 3, LOT 4, E/2 SW/4, SE/4  
Eddy County, New Mexico

Depths included in Identical Ownership are from below the top of the Glorieta Formation to the top of the Abo Formation. A listing of existing wells is included herewith.

Very truly yours,

  
APACHE CORPORATION

Lee M. Scarborough  
Landman  
(432) 818-1073

Encls.

From Operator MARBOB ENERGY CORP OGRID 014049  
 To Operator APACHE CORPORATION OGRID 873  
 Wells Selected for Transfer  
 Permit Status: DRAFT

| <u>Property</u>        | <u>Well Name</u> | <u>Lease</u><br><u>Type</u> | <u>ULSTR</u> | <u>OCD</u><br><u>Unit</u> | <u>API</u>   | <u>Well</u><br><u>Type</u> | <u>Pool ID</u> | <u>Pool Name</u>          |
|------------------------|------------------|-----------------------------|--------------|---------------------------|--------------|----------------------------|----------------|---------------------------|
| 23300 LEE FEDERAL #001 |                  | F                           | G-20-17S-31E | G                         | 30-015-30243 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #002       |                  | F                           | E-20-17S-31E | E                         | 30-015-30268 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #003       |                  | F                           | I-20-17S-31E | I                         | 30-015-30269 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #005       |                  | F                           | H-20-17S-31E | H                         | 30-015-33029 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #006       |                  | F                           | F-20-17S-31E | F                         | 30-015-30424 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #008       |                  | F                           | K-20-17S-31E | K                         | 30-015-30598 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #010       |                  | F                           | F-20-17S-31E |                           | 30-015-30511 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #011       |                  | F                           | J-20-17S-31E | J                         | 30-015-32737 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #012       |                  | F                           | H-20-17S-31E |                           | 30-015-30508 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #013       |                  | F                           | I-20-17S-31E | I                         | 30-015-30425 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #014       |                  | F                           | A-20-17S-31E | A                         | 30-015-32072 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #015       |                  | F                           | B-20-17S-31E | B                         | 30-015-32048 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #016       |                  | F                           | C-20-17S-31E | C                         | 30-015-32049 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #017       |                  | F                           | D-20-17S-31E | D                         | 30-015-32648 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #018       |                  | F                           | D-20-17S-31E | D                         | 30-015-31952 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #019       |                  | F                           | C-20-17S-31E | C                         | 30-015-31962 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #020       |                  | F                           | B-20-17S-31E | B                         | 30-015-32087 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #021       |                  | F                           | A-20-17S-31E | A                         | 30-015-32073 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #027       |                  | F                           | N-17-17S-31E | N                         | 30-015-32321 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #029       |                  | F                           | P-17-17S-31E | P                         | 30-015-32376 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #030       |                  | F                           | L-17-17S-31E | L                         | 30-015-32296 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #031       |                  | F                           | L-17-17S-31E | L                         | 30-015-32297 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #032       |                  | F                           | M-17-17S-31E | M                         | 30-015-33214 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #034       |                  | F                           | M-17-17S-31E | M                         | 30-015-32738 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #035       |                  | F                           | N-17-17S-31E | N                         | 30-015-32744 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #036       |                  | F                           | O-17-17S-31E | O                         | 30-015-32739 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #037       |                  | F                           | P-17-17S-31E | P                         | 30-015-32769 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #039       |                  | F                           | G-20-17S-31E | G                         | 30-015-32740 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |
| LEE FEDERAL #040       |                  | F                           | E-20-17S-31E | E                         | 30-015-32745 | O                          | 96831          | CEDAR LAKE; GLORIETA-YESO |