

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

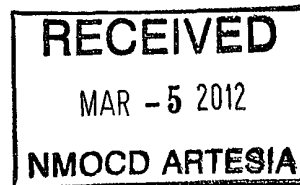
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☒ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomple 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 recomple 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

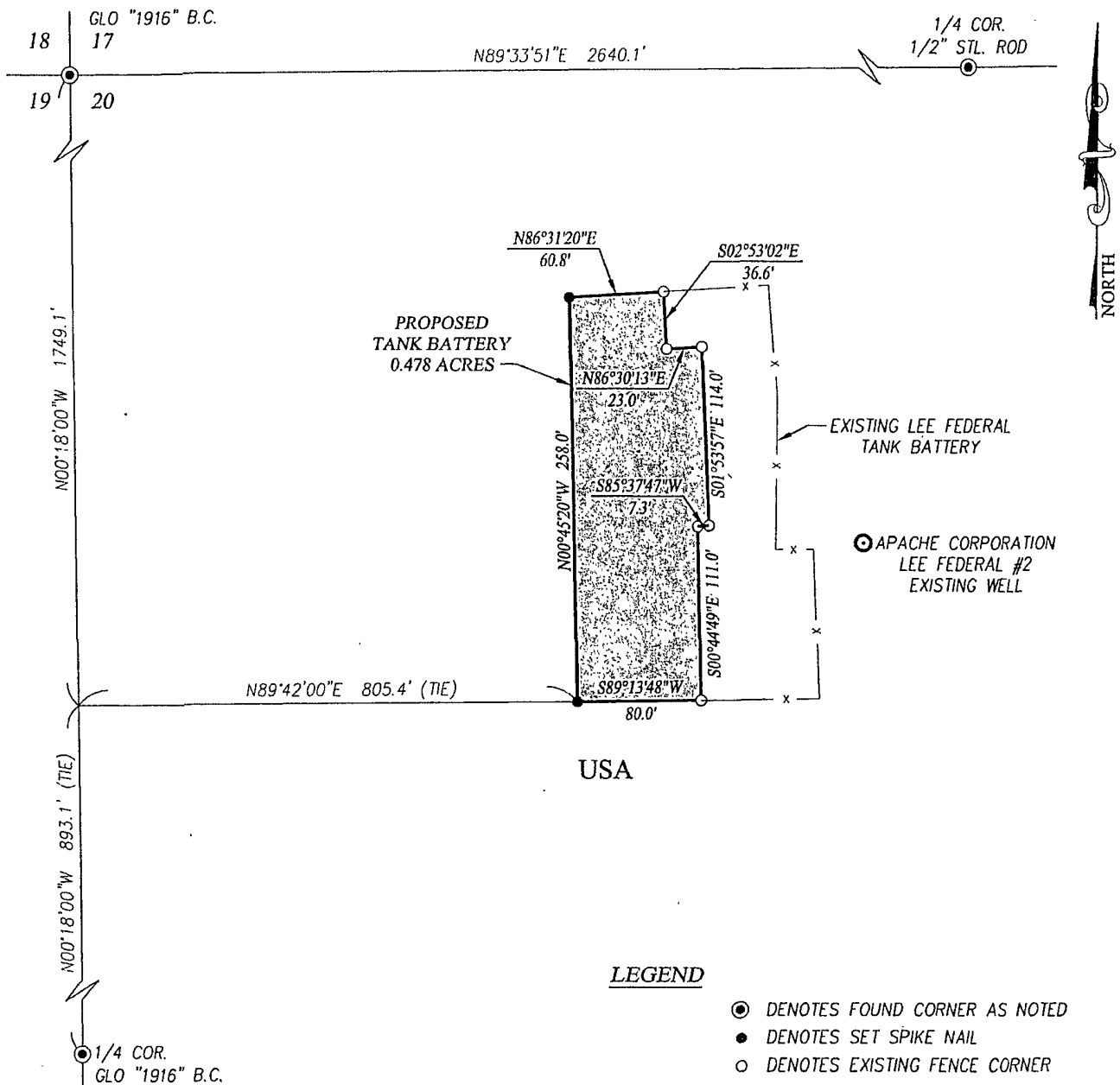
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

To Operator APACHE CORPORATION OGRID 873

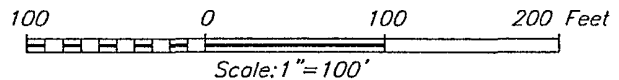
<u>Property</u>	<u>Well Name</u>	<u>Lease</u> <u>Type</u>	<u>ULSTR</u>	<u>OCD</u> <u>Unit</u>	<u>API</u>	<u>Well</u> <u>Type</u>	<u>Pool ID</u>	<u>Pool Name</u>
23300	LEE FEDERAL #001	F	G-20-17S-31E	G	30-015-30243✓	O	96831	CEDAR LAKE; GLORIETA-YESO
	LEE FEDERAL #002	F	E-20-17S-31E	E	30-015-30268✓	O	96831	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

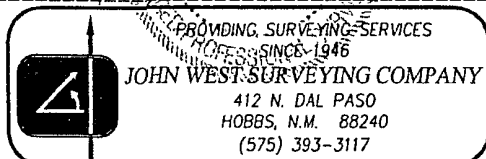
- DENOTES FOUND CORNER AS NOTED
- DENOTES SET SPIKE NAIL
- DENOTES EXISTING FENCE CORNER
- x — DENOTES FENCE LINE



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'



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

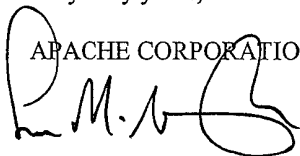
Ladies and Gentlemen:

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> <u>Type</u>	<u>ULSTR</u>	<u>OCD</u> <u>Unit</u>	<u>API</u>	<u>Well</u> <u>Type</u>	<u>Pool ID</u>	<u>Pool Name</u>
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