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UNITED STATES

OCD Artesia

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010**NMOC D ARTESIA****SUNDY NOTICES AND REPORTS ON WELLS***Do not use this form for proposals to drill or to re-enter and
Abandoned well. Use Form 3160-3 (APD) for such proposals***SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

APACHE CORPORATION <873>

3. Address

**303 VETERANS AIRPARK LN, #3000
MIDLAND, TX 79705**

3b. Phone No. (include area Code)

432-818-1167 / 432-818-1193

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

1650' FNL & 2260' FEL Sec: 20 T17S R31E

5. Lease Serial No.

NMLC-029395B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

LEE FEDERAL #52 <308720>

9. API Well No.

30-015-39889

10. Field and Pool or Exploratory Area

CEDAR LAKE; GLORIETA-YESO <96831>

11. County or Parish, State

EDDY COUNTY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

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

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 directional or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attached the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Apache proposed & received verbal approval from Edward Fernandez to conduct remedial cement job on the Intermediate csg of the Lee Federal #52 as follows:

1. Establish injection down the 8-5/8" x 13-3/8" annulus 2. Pmp Class C cmt dwn the 8-5/8" x 13-3/8" annulus 3. Discontinue pmpg cmt When 200 sx cmt has been pmpd or when low pressure sqz has been achieved.

As discussed by telephone & described in daily drig reports/cmt reports previously provided to the BLM by email, Apache conducted primary cmt job on the Lee Federal #52 on 6/7/12. After cmt job, TOC was at 30' (by temp survey) and the 8-5/8" x 13-3/8" annulus was flowing approx 90% water & 10% oil at 50-60 BHP. SIP 150psi after 1 hr. In order to eliminate flow & cmt the annulus to surface, a remedial cmt job as described above was required. (200 sx Class C w/ 2% CaCl₂ + 0.25% R-38 – 14.8ppg/1.35cuft/sx pumped 6/8/2012.)

Remainder of sundry is on page 2.

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

Name (Printed/Typed)

VICKI BROWN

Title

DRILLING TECH

Signature

Date

6/21/2012**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

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.

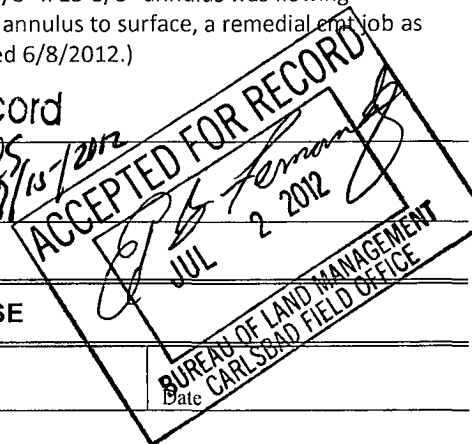
Office

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)

Accepted for record

NMOC D



Lee Federal #52

Conditions of Approval:

- Apache working w/offset field operator & all injection wells shut dwn close to rig. (done)
- Get lab analysis of flow back fluids. (Waiting on lab analysis f/Catalyst Oil Field Service)
- Run CBL f/3500' – surf and provide result to BLM. (done)
- Provide statement regarding volume and marketability of oil recovered. (5 bbls oil not marketable quality – hauled to disposal)