

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

RECEIVED
AUG 03 2012
NMOCD ARTESIA

SUNDRY 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

5. Lease Serial No.
NMLC-0029395A
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
TONY FEDERAL 40 <308738>

2. Name of Operator
APACHE CORPORATION <873>

9. API Well No.
30-015-40173

3. Address
**303 VETERANS AIRPARK LN, #3000
MIDLAND, TX 79705**

3b. Phone No. (include area Code)
432-818-1117 / 432-818-1198

10. Field and Pool or Exploratory Area
CEDAR LAKE; GLORIETA-YESO <96831>

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FSL & 1650' FEL, UL: J, SEC 18, T17S, R31E, NMPM

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			
<input 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 checked="" 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 type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>DRILLING OPS:</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>INTERMEDIATE</u>
				<u>CASING JOB</u>

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 recomplete 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 recompletion 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.

Bond No: **BLM-CO-1463**

Accepted for record 8/29/12
NMOCD [Signature]

Apache Corporation's Barry Green made the following request by telephone and e-mail and received approval by e-mail from BLM's Ed Fernandez on 6/30/2012:

Apache Corporation requests a revision to the intermediate hole water flow contingency plan contained in the approved APD for Tony Federal #40 (API No. 30-015-40173) located in Section 18, T17S, R31E, Eddy County, NM.

REPORT CONTINUED ON PAGE 2.

**Note to Operator: All Verbal approvals
Shall be followed up by a written sundry notice filed
in this office not later than the fifth business day
following oral approval.**

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

VICKI BROWN

Title **DRILLING TECH**

Signature

Vicki Brown

Date **7/25/2012**

ACCEPTED FOR RECORD
AUG 2 2012
[Signature]
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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.

The contingency plan contained in the approved APD reads as follows: "If water flow is encountered, Apache will 2-stage Intermediate csg. A DVT will be used in the 8-5/8" Intermediate csg. TD of the 11" hole at +/- 3500', DVT will be set +/- 1800'. Cmt 1st Stage w/ +/- 450 sx CI C (14.8#, 1.33 yld) Cmt 2nd Stage w/ +/- 900 sx CI C (14.8#, 1.33 yld)."

Apache Corporation proposes to modify the contingency plan as follows:

1. Run an external casing packer (ECP) immediately below the DV tool
2. Increase the 1st stage cement volume to 700 sx (same cement type, weight and yield)
3. Replace the 2nd stage cement with 700 sx lead slurry consisting of Class C 35:65 pozmix w/ 6% bentonite and 0.25% R-38 (weight 12.4 ppg, yield 2.1 cuft/sk) followed by 200 sx tail slurry consisting of Class C w/ 0.25% R-38 (weight 14.8 ppg, yield 1.33 cuft/sk)

Apache also proposes that a cement bond log will not be run on the intermediate casing if any 1st stage cement is circulated off the DV tool and if any 2nd stage cement circulates to surface.