

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATORS COPY

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM0557371 ✓
2. Name of Operator APACHE CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: ISABEL HUDSON E-Mail: Isabel.Hudson@apachecorp.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-818-1142	8. Well Name and No. AAO FEDERAL-2 ✓
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T18S R27E NENW 430FNL 2310FWL ✓		9. API Well No. 30-015-32308-00-C1 ✓
		10. Field and Pool, or Exploratory RED LAKE
		11. County or Parish, and 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 type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 recomplete 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 recompletion 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.)

Apache would like to perform the following work: Please see attachments.

Accepted for record
NMOCD RE
11/17/16

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #347036 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 08/08/2016 (16PP1923SE)**

Name (Printed/Typed) ISABEL HUDSON	Title REG. ANALYST
Signature (Electronic Submission)	Date 08/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

SEP 5 2016

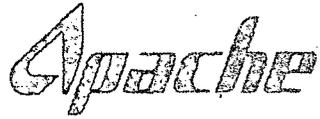
BUREAU OF LAND MANAGEMENT
CARLSBAD OFFICE

Approved By _____ Title _____
Date _____ Office _____

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 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED**



August 4, 2016

AAO FED # 2

API # 30-015-32308

Eddy County, NM

Surface Casing: 8-5/8" 24# Set @ 327'

Production Casing: 5-1/2" 17# Set @ 4,143'

Producing Interval: 1,967-2,649'; 3,373-3,699'

Objective: Isolate open perms and TA wellbore

Procedure:

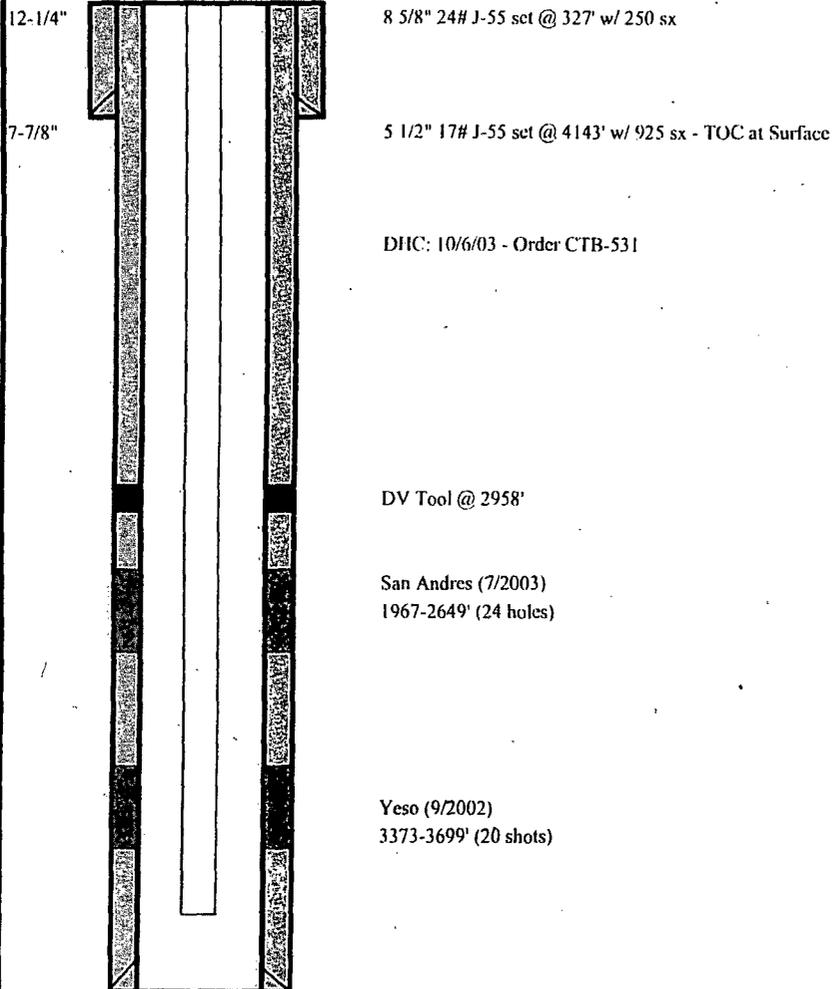
1. POOH with rods and tbg
2. Set CIBP @ 1,900' and dump bail 35' of cmt
3. Fill casing with fluid and pressure test to 500 psi.
4. Record the test on a chart and submit for approval

Apache Corp.

GROUP:	Permian North	DATE:	Aug. 04, 2016
FIELD:	Red Lake NE (BP)	BY:	HJG
LEASE/UNIT:	AAO Federal	WELL:	2
COUNTY:	Eddy	STATE:	New Mexico
API:	30-015-32308		

Spud Date: 8/20/02
Rig Release Date:
Completion Date: 9/1/02
UL-C, Section-1, T-18S, R-27E

KB = 3620'
GL = 3611'



TD: 4150'
PBD: 4127'

Conditions of Approval

**Apache Corporation
AAO - 02, API 3001532308
T18S-R27E, Sec 01, 430FNL & 2310FWL
September 05, 2016**

Operator is to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well.

Temporary Abandonment (TA) BLM Status Approval Requires:

1. A Notice of Intent (NOI) Sundry (Form 3160-5) requesting approval to prepare the wellbore for a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A subsequent sundry report that describes compliance with:
 - a. All downhole production artificial lift equipment (tubing, rods, etc.) removed from the casing. A wellbore with a packer set just above producing or injection perforations with annulus integrity above the packer, and loaded with corrosion inhibiting fluid may be considered for TA status by passing a Mechanical Integrity Test.
 - b. The wellbore below all potential production is to be plugged back per permanent plugging procedures. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. A CIBP set above the top perforations to be permanently abandoned is to be capped with a minimum of 25 sacks cement and placed with tubing, or if the perforations are to be reopened 35 feet of cement may be bailed on the CIBP.
 - c. The wellbore filled with corrosion inhibited fluid.
 - d. At least 24 hours prior to conducting the Mechanical Integrity Test, contact the appropriate BLM office. Eddy County call Carlsbad 575-361-2822. Lea County call Hobbs 575-393-3612.
 - e. Documentation of a 500psig minimum BLM witnessed Mechanical Integrity Test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and affect approvals.
3. Submit a Subsequent Sundry Notice (Form 3160-5) requesting TA approval with a description of the preparation for temporary abandonment approval, a clear copy or the original Mechanical Integrity Test chart, a current wellbore diagram, and justification

describing a substantial reason for the request, the expected wellbore use, and the estimated date the well will be returned to beneficial use.

4. This BLM TA NOI Approval is for **WELLBORE PREPARATION ONLY**. BLM IS **NOT APPROVING TA Status FOR THIS WELL**. If warranted, TA approval status for a specified time limit will be noted with BLM acceptance of the subsequent report of preparations and justification.
5. Workover approval is good for 90 days (completion to be within 90 days of approval).
6. Should Mechanical Integrity Test not prove wellbore integrity or not be conducted submit a procedure to repair or plug and abandon the well for BLM approval within 30 days of the MIT.