

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**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 - 029435B
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.

NFE FEDERAL #002 < 37890 >

2. Name of Operator

APACHE CORPORATION < 873 >

9. API Well No.

30-015-37354

3. Address

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

3b. Phone No. (include area Code)

432-818-1167 / 432-818-1193 - f

10. Field and Pool or Exploratory Area

CEDAR LAKE; GLORIETA YESO < 96831 >

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

330' FSL & 1650' FWL UL: N Sec: 8 T17S, R31E

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☐ 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 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.

Bond No: BLM-CO-1463

1/25/11: At 3:30am, TD 11" hole @ 1548'. Hit water flow @ 785'. Drilled 11" hole to TD w/water flow. At TD, well flowing 143 bbl/hr. Ran 8-5/8" 24# J-55 csg w/external csg pkr @ 558' & DVT @ 547'. Cmt w/650 sx Class C w/2% CaCl. Plug dwn @ 3:00pm on 1/25/11. Did not circ cmt. Set external csg pkr, did not shut off water flow. Established injection rate of 3.3 bbl/min @ 150psi. Mix 250 sx Class C w/2% CaCl (14.8 ppg, 1.34 yld) pmp dwn backside. Max pressure: 200psi. WOC 6 hrs. Ck for flow. No flow. Cut off & weld on head, NU BOPE.

RECEIVED**FEB 04 2011****NMOCD ARTESIA**

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

Name (Printed/Typed)

SORINA L. FLORESTitle **DRILLING TECH**

Signature

*Sorina L. Flores*Date **1/27/2011****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

APPROVED**FEB 1 2011****/s/ Chris Walls****BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)