

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No.1004-035

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen
or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" For such proposals

Lease Designation and Sec. No

JIC 127

6. If Indian, Allottee or Tribe Name

Jicarilla Tribe

7. If Unit or CA, Agreement Designat

8. Well Name and No.

Apache # 126

9. API Well No.

3003921889

10. Field and Pool, or Exploratory Ar

Lindrith GAL/DK

11. County or Parish, State

Rio Arriba

SUBMIT IN TRIPLICATE

1. Type of Well:

Oil Well XX Gas Well Other

2. Name of Operator

Apache Corporation

3. Address and Telephone No.

2855 Southside River Road, Farmington, NM 87401 505-325-0318

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

970 FSL, 480' FEL SE SE Sec 10 - T42N - R4W

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|---|
| <input type="checkbox"/> Notice of Intent | Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other JIC Cont 127 3160 (010) |
| <input checked="" type="checkbox"/> Subsequent Report | Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water |
| <input type="checkbox"/> Final Abandonment Notice | (Note: Report results of multiple completions on Well Completion or Recompletion Report and LogForm.) |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See Attached Letter.

14. I Certify that the foregoing is true and correct.

Signed Margaret Grant Title Clerk III Date February 8, 1999

(This space for Federal or State office use)

Approved by [Signature] Title Lands and Mineral Resources Date MAR 15 1999

Conditions of approval, if any:

Shut-in status approved for one year.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department or agency to the United States any false, fictitious or

Fraudulent statements or representations as to any matter within its jurisdiction.



February 8, 1999

Mr. Joe Incardine
United States Department of the Interior
Bureau of Land Management
Albuquerque Field Office
435 Montano Road NE
Albuquerque, NM 87107-4935

Re: Order To Plug Well JIC Cont 127 3160 (010)
JIC Contract 127
Well: Apache #126
Location: T24N, R4W, Section 10, SE/SE

Dear Mr. Incardine:

Apache Corporation is in receipt of your letter dated February 4 wherein you ordered Apache Corporation to submit a Sundry Notice stating whether the subject well is plugged along with the procedures that were used to plug the well. You also stated the penalties for failure to reply to your order.

Please be advised that our engineering and geological personnel are studying this well and the area immediately surrounding it to determine if there is any further potential for the wellbore prior to final plugging and abandonment. There may exist some potential for horizontal development, but that possibility has been delayed due to poor economics. At this time, we are unable to justify further development, but request an extension of the plugging and abandonment order until we are able to fully evaluate the well and oil and gas prices provide a more favorable environment for potential development.

It might be inappropriate to require plugging and abandonment of a well which could provide royalty revenues to the United States in the future. Please advise.

Yours truly,
APACHE CORPORATION

A handwritten signature in black ink, appearing to read "Stan Phillips", written in a cursive style.

Stan Phillips
Production Foreman