Form 3160-5 OCD-HOBBES FUNCTION OF THE INTERIOR DEPARTMENT OF THE INTERIOR SEP 2 6 2050 NDRY 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. DEDEDED SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well Gas Well Other 2. Name of Operator Contact: REESA FISHER APACHE CORPORATION E-Mail: Reesa.Fisher@apachecorp.com 3a. Address 3b. Phone No. (include area code) 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T23S R37E SESE 660FSL 660FSL					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No. NMLC030556B 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. 8. Well Name and No. STEVENS B 017 9. API Well No. 30-025-21921 10. Field and Pool or Exploratory Area LANGLIE MATTIX;7R-QU-GB 11. County or Parish, State LEA COUNTY 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 	Alter Casing Hydraulic Fracturing Casing Repair New Construction Change Plans Plug and Abandon				 Water Shut-Off Well Integrity Other
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. Apache Corporation requests approval to TA this wellbore in order to evaluate uphole potential in the Tansill and Yates formations. This zone has proven productive in the offsets Stevens B #12, LNGL MTX PNRS B4 #11, and the Stevens B #15, among others.						
Day 1: MIRU SU. POOH w/rods (if applicable) laying down. POOH w/tubing. Day 2: RU WL. RIH and set CIBP @ 3,508? via wireline. RIH and dump bail 35? of cement on top of CIBP. RIH and tag TOC. RD wireline. RIH w/tubing and test casing. Circulate inhibited fluid. Perform MIT						
SEE ATTACHED FOR CONDITIONS OF APPROVAL						
14. I hereby certify that the foregoing is true and correct. Electronic Submission #385752 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Hobbs Committed to AFMSS for processing by PAUL SWARTZ on 09/12/2017 () Name (Printed/Typed) REESA FISHER Title SR STAFF REGULATORY ANALYST						
Signature (Electronic	Date 08/23/2017					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By Alway	Title TPE	T		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						GEMENT
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) ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **						
MSB/OCD 9/27/2017						

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<u>Conditions of Approval</u> Apache Corporation Stevens B - 17, API 3002521921 T23S-R37E, Sec 07, 660FSL & 660FEL September 12, 2017

Within 90 days of these conditions of approval for the processed Electronic Submission #385752 notice of intent begin wellbore operations.

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:
 - 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 for not plugging**. Justification is listing the proposed beneficial use and reasonable expected dated events to initiate a conversion to beneficial use. Often overlooked is a backlog of wells that have no potential beneficial use (should have been plugged and abandoned) that create a status surplus.
- 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. 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.

Operator: Apache Corporation Well: STEVENS B-17 Surface Lease: LC030556b BHL: LC030556b API: 3002521921 Case No: LC030556b Lease Agreement @ Srfce: T23S-R37E,07.660s660e **Subsurface Concerns for Casing Designs:** @ M TD: T23S-R37E,07.660s660e KB: 3352 Estate: P\F\F Well Status: NOI-TA Spud date: 11/29/1966 GL: 3340 CWDW, R of W: Plug'd Date: Corr: 12 OCD Admn Order, date: Reentry Date: Frmtn, Depths, psig: 11/29/66 355, 11"hole, 7.625"# H40 csg, ST&C, Mix 150sx, circ 0sx (1180 Rustler) (1242 Salado) (±1300 T Salt) (±2550 B Salt) (2572 Tansill) 2400 temp 07/26/1996 3528 CIBP MIT held 530psig for TA status 12/11/1996 3528 CIBP MIT held 480psig 20m for TA status (2888 Yates) 12/18/2001 3528 CIBP MIT held 600psig 30m for TA status 03/20/2003 3528 CIBP MIT held 580psig 30m for TA status 02/20/2006 Producing 4BO+16BW+20mcfpd (3029 Seven Rivers) (3444 Queen) (3574 Penrose) 12/16/66 <3578-699> Last reported production: 0BO+0BW+24mcfpm 01/2017 3688 remains of CIBP per operator 12/08/66 3750,6.75"hole,4.5" 9.5# J55 csg ST&C, Mix 200sx, circ 0sx

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