

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO 1004-0135  
Expires July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS** *OCD Artesia*  
*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 NMLC029395A
2 Name of Operator APACHE CORPORATION		6 If Indian, Allottee or Tribe Name
Contact: <b>SORINA L FLORES</b> E-Mail: <b>sorina.flores@apachecorp.com</b>		7 If Unit or CA/Agreement, Name and/or No TONY FEDERAL
3a. Address 303 VETERANS AIRPARK LN #3000 MIDLAND, TX 79705	3b. Phone No (include area code) Ph: 432-818-1167 Fx: 432-818-1193	8 Well Name and No TONY FEDERAL 034 ✓
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T17S R31E 1120FSL 1345FEL 32.830196 N Lat, 103.904318 W Lon ✓ <b>U L O</b>		9 API Well No 30-015-39342 ✓
		10. Field and Pool, or Exploratory CEDAR LAKE; GLORIETA-YESO
		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 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 Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 recompleat 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.)

BOND#: BLM-CO-1463

Approval Subject to General Requirements  
& Special Stipulations Attached

1. Request Chg in cmt design for Intermediate (please note that cmt volumes will be adjusted based on fluid caliper measurement)

Hole Depth OD Csg Wt Collar Grade Collapse Burst Tension  
11" 0-3500' 8-5/8" 32# STC J55 2530psi 3930psi 372/1000#  
7-7/8 0-6500' 5-1/2: 17# LTC J55 4910psi 5320psi 247/1000#  
INTERMEDIATE:  
1st Stage Lead:  
390sx C I C 35/65 Poz w/6% Bentonite, 0.25% R38, 5% NaCL

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct Electronic Submission #118839 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad		<b>RECEIVED</b> OCT 11 2011 NMOCD ARTESIA
Name (Printed/Typed) <b>SORINA L FLORES</b>	Title <b>SUPV DRLG SERVICES</b>	
Signature (Electronic Submission)	Date <b>09/29/2011</b>	

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>Ted Morgan</b>	RETROLEUM ENGINEER	OCT 6 2011
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.		BLM-CARLSBAD FIELD OFFICE Accepted for record NMOCD
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.		

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #118839 that would not fit on the form**

**32. Additional remarks, continued**

(wt: 12.8ppg, yld: 1.9) (100% excess)

1st Stage Tail:

100sx Cl C w/0.25% R38 (

(wt: 14.8ppg, yld: 1.33) (100% excess)

2nd Stage Lead:

700sx Cl C w/2% CaCl<sub>2</sub>, 0.25% R38 (wt: 14.8, yld: 1.35) (100% excess)

DVT will be set +/- 1800' (DVT depth may change pending water flow)

PRODUCTION:

1st Stage Lead:

300sx Cl C 35/50 Poz w/6% Bentonite, 0.25% R38, 5% NaCl (wt: 12.4, yld: 2.1)

1st Stage Tail:

700sx Cl C 50/50 Poz w/2% Bentonite, 0.25% R38, 5% NaCl (wt: 14.2, yld: 1.3) (35% Excess)

MJ to be set +/- 4500'

*Surface TOC*

*Surface TOC*

**Tony Federal #34  
Apache Corporation  
30-015-39342  
Oct 6, 2011  
Conditions of Approval**

**WELL STATUS:**

Aug 2011. APD approved. Estimated formation tops are:

Top Rustler at 305'	Top Grayburg at 2751'	Oil H2S
Top Salt at 518'	Top San Andres at 3104'	Oil
Bottom Salt at 1258'	Top Glorieta at 4594'	
Top Yates at 1478'	Top Yeso at 4666'	Oil
Top Seven Rivers at 1759'	Top Blinberry at 5176'	
Top Queen at 2370'	Top Tubb at 6149'	
	TD at 6500'	

Sep 15, 2011 Spud Notice Filed

**REQUESTS:**

Sep 29 2011 Apache requests the following revisions to primary cement jobs:

- 8-5/8" casing set at 3500' in 11" hole – DVT at 1800' for 2 stage cement job.
- 5-1/2" casing set at 6500' in 7-7/8" hole – Single Stage cement job.

Apache advises this deeper casing point for the intermediate casing is intended to place 2 cemented strings of pipe across the Grayburg – San Andres formations that are water flooded in the area; which over the long term is proving to be corrosive to wells in the sweep zone.

**CONDITIONS OF APPROVAL:**

Original COA is still applicable. The Cement Design revision for the 8-5/8" Intermediate Casing and 5-1/2" Production Casing are approved with the following Conditions:

1. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:

☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

**Operator has proposed DV tool at depth of 1800', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.**

- a. First stage to DV tool:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

b. Second stage above DV tool:

☒ Cement to circulate.

2. The minimum required fill of cement behind the **5-1/2** inch production casing is:

☒ Cement to surface.

3. The placement of a marker joint at approximately **4500'** in the **5-1/2"** Production Casing string (above the Top of the Gorieta) is approved.

TMM 10/06/2011