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Form 3160-3 (April 2004)

NMOCD ARTESIA TED STATES

DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

Lease Serial No.

BUREAU OF LAND MAN	AGEMENT		NMNM-106231		
APPLICATION FOR PERMIT TO			6. If Indian, Allotee or Tribe	Name	
la. Type of work:	ER		7. If Unit or CA Agreement, N	Jame and No.	
1b. Type of Well: ✓Oil Well Gas Well Other	Single Zone Multi	ole Zone	. 8. Lease Name and Well No. LOCO FEDERAL #8 <308721>		
2. Name of Operator APACHE CORPORATION	<875	3>	9. API Well No. 400	allo	
3a. Address 303 VETERANS AIRPARK LN #3000 MIDLAND, TX 79705	3b. Phone No. (include area code) 432-818-1167		10. Field and Pool, or Exploratory LOCO HILLS; GLORIETA-YESO 496		
4. Location of Well (Report location clearly and in accordance with an	y State requirements *)		11. Sec., T. R. M. or Blk. and St	irvey or Area	
At surface 2310' FNL & 1650' FEL At proposed prod. zone SAME	UL: G SEC: 21 T17S R30E				
14. Distance in miles and direction from nearest town or post office* APPROX 1 MILE NORTHEAST OF LOCO HILLS, NM			12. County or Parish EDDY	13. State NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of acres in lease	17. Spacin	g Unit dedicated to this well 40 ACRES		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. ~640'	19. Proposed Depth 6500'	i	BIA Bond No. on file - CO - 1463		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3652'	22. Approximate date work will sta		23. Estimated duration ~ 10 DAYS .		
	24. Attachments				
The following, completed in accordance with the requirements of Onshor	e Oil and Gas Order No.1, shall be a	ttached to th	is form:		
Well plat certified by a registered surveyor. A Purified Plan. A Surface Hap Plan (if the leastion is an National Forcet System).	Item 20 above).	•	ns unless covered by an existing	bond on file (see	
3. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office).	1 1 1	specific info	ormation and/or plans as may be	required by the	
25. Signature Sorina A Hores	Name (Printed/Typed) Soring h. F	lores	Date	l aolia	
Spr of Drilling Services					
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed) /s/	Don P	eterson Date	AUG. 1 3 2012	
Title Con FIELD MANAGER	Office		CARLSBAD FIELD OF	FICE	
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equitable title to those righ	ts in the sub	ject lease which would entitle the		

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)

Roswell Controlled Water Basin

Approval Subject to General Requirements & Special Stipulations Attached

SEE ATTACHED FOR CONDITIONS OF APPROVAL

was a morning of the control of the more

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. GREENE STREET CARLSBAD, NM 88220

OPERATOR CERTIFICATION

I HEARBY CERTIFY THAT I, OR SOMEONE UNDER MY DIRECT SUPERVISION, HAVE INSPECTED THE DRILL SITE AND ACCESS ROUTE PROPOSED HEREIN; THAT I AM FAMILIAR WITH THE CONDITIONS WHICH CURRENTLY EXIST; THAT I HAVE FULL KNOWLEDGE OF STATE AND FEDERAL laws applicable to this operation; that the statements made in the APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S>C. 1001 for the filing of false statements.

Executed this day of JANUARY , 2012				
Well: LOCO FEDERAL #8				
Operator Name: APACHE CORPORATION				
Signature: Printed Name: BOB LANGE				
Title: Drilling Engineer Date: 1/20/12				
Email (optional): bob.lange@apachecorp.com				
Street or Box: 303 Veterans Airpark Ln., Ste. 3000				
City, State, Zip Code: Midland, TX 79705				
Telephone: 432-818-1114				
Field Representative (if not above signatory):				
Address (if different from above):				
Telephone (if different from above):				
Email (optional):				

Agents not directly employed by the operator must submit a letter from the operator authorizing that the agent to act or file this application on their behalf.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. GREENE STREET CARLSBAD, NM 88220

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Operator Name:	APACHE CORPORATION
Street or Box:	303 VETERANS AIRPARK LANE, STE. 3000
City, State:	Midland, TX
Zip Code:	79705
	pts all applicable terms, conditions, stipulations, and restrictions conducted on the leased land or portion thereof, as described
Lease No: NMNM	-106231 LOCO FEDERAL #8
Legal Description of La	and:
UL: G Section: _	21 Township: 17S Range: 30E
County: EDDY	State: NM
Bond Coverage:	\$150,000
Statewide Oil and Gas	Surety Bond, APACHE CORPORATION.
BLM Bond File No.:	BLM-CO-1463 NATIONWIDE
Signature: <i>Bold</i>	Printed Name: BOBBY L. SMITH
	/ IG MANAGER, PERMIAN REGION
Date:	120/12
Apache Corporation	

Apache Corporation Responsibility Letter



Fee Lease - 3 Copies

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

DISTRICT IV

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410

11885 S, ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT ☐ AMENDED REPORT Pool Code 6718

Glorieta-Yeso Well Number Property Name 308721 OGRID NO. LOCO FEDERAL 8 Operator Name Elevation APACHE CORPORATION 3652

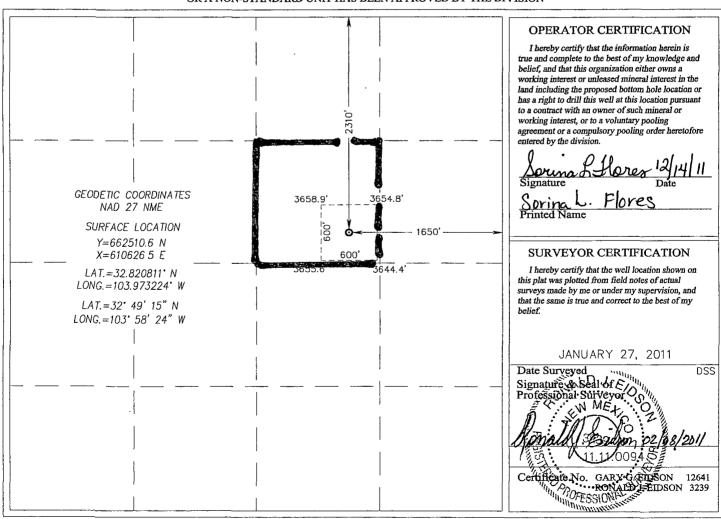
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	21	17-S	30-E		2310	NORTH	1650	EAST	EDDY

Bottom Hole Location If Different From Surface

.UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infi	ill Con	solidation Code	Ordo	er No.		<u> </u>		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



DRILLING PLAN: BLM COMPLIANCE

(Supplement to BLM 3160-3)

APACHE CORPORATION (OGRID: 873) LOCO FEDERAL #8

Lease #: NMNM-106231 Projected TD: 6500' GL: 3652' 2310' FNL & 1650' FEL UL: G SEC: 21 T17S R30E EDDY COUNTY, NM

1. GEOLOGIC NAME OF SURFACE FORMATION: Eolian/Piedmond Alluvial Deposits

2. ESTIMATED TOPS OF GEOLOGICAL MARKERS & DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

FORMATION	WELL DEPTH	WATER/OIL/GAS
Eolian/Piedmont Alluvials	Surface	
Rustler	332'	
Salt Top	624'	
Salt Bottom	1104′	
Yates	1281′	
Seven Rivers	1567′	
Queen	2195′	
Grayburg	2695'	Oil
San Andres	2924'	Oil
Glorieta	4388′	Oil
Yeso	4518′	Oil
TD	6500′	
Depth to Ground Water:	~ 91′	

All fresh water & prospectively valuable minerals, as described by BLM, encountered during drilling, will be recorded by depth and adequately protected. All oil & gas shows within zones of correlative rights will be tested to determine commercial potential. The surface fresh water sands will be protected by setting 13-3/8" csg @ ~350' & circ cmt back to surface. All intervals will be isolated by setting 5-1/2" csg to TD & circ cmt above the base of 8-5/8" csg.

3. CASING PROGRAM: All casing is new & API approved

See COA

HOLE SIZE	DEPTH	OD CSG	WEIGHT	COLLAR	GRADE	COLLAPSE	BURST	TENSION
17-1/2"	0' - 350'	13-3/8"	48#	STC	H-40	1.125	1.0	1.8
11"	350′-1180′22	3 8-5/8"	24#	STC	J-55	1.125	1.0	1.8
7-7/8"	1150'-6500'	5-1/2"	17#	LTC	J-55	1.125	1.0	1.8

4. CEMENT PROGRAM:

A. 13-3/8" Surface: Run & set 13-3/8" 48# H-40 STC csg to ~350'. Cmt with:

Lead: 390 sx Class C w/ 1% CaCl2, 0.25% R38 (14.8 wt, 1.34 yld)

Compressive Strengths: 12 hr - 813 psi 24 hr - 1205 psi ***100% excess cmt; cmt to surface***

B. 8-5/8" Intermediate: Run & set 8-5/8" 24# J-55 STC csg to 1150". Cmt with:

Lead: 140 sx (35:65) Poz C w/ 4% Bentonite, 1% CaCl2, 0.25% R38 (12.wt, 2.3 yld)

Compressive Strengths: 12 hr - 589 psi 24 hr - 947 psi

Tail: 210 sx Class C w/1% CaCl2, 0.25% R38 (14.8 wt, 1.34 yld)

Compressive Strengths: 12 hr - 813 psi 24 hr - 1205 psi ***100% excess cmt; cmt to surface***

C. 5-1/2" Production: Run & set 5-1/2" 17# J-55 LTC csg to 6500' (DV or Post tool w/ be set at @ 3500' if DV or Post is to be moved cement will be adjusted proportionately / TOC: 500') Cmt with:

1st Stage Lead: 530 sx (50:50) Poz C w/ 0.3% C12, 5% Salt, 0.25% R38 (14.2 wt, 1.26 yld)

Compressive Strengths: 12 hr - 1379 psi 24 hr - 2332 psi

2nd Stage Lead: 280 sx (50:50) Poz C w/ 5% Salt, 0.25% R38 (11.8 wt, 2.45 yld)

Compressive Strengths: 12 hr - 540 psi 24 hr - 866 psi

2nd Stage Tail: 90 sx (50:50) Poz C w/ 5% Salt, 0.25% R38 (14.2 wt, 1.28 yld)

Compressive Strengths: 12 hr - 1031 psi 24 psi - 1876 psi ***30% excess cmt***

** The above cmt volumes could be revised pending caliper measurement from open hole logs. For Surface csg: If cmt does not circ to surface, the appropriate BLM office shall be notified & a tag with 1" will be performed at four positions 90 degrees apart to verify cmt depth. If depth is greater than 100' or water is standing in the annulus, remedial cementing will be done. If no water & TOC tag is less than 100', when 100% excess cmt of the annulus volume is run on the primary job, ready-mix will be used to bring cmt to surface.

5. PROPOSED CONTROL EQUIPMENT

"EXHIBIT 3" shows an 11" 3M psi WP BOP consisting of an annular bag type preventer, middle blind rams, bottom pipe rams. The BOP will be nippled up on the 13-3/8" surface csg head and tested to 70% of casing burst. After the intermediate casing is set & cemented a 13 5/8" 3M X 11" 3M "B" section will be installed on the 8 5/8" casing head and utilized continuously until total depth is reached. The BOP will be tested at 2000 psi, maximum surface pressure is not expected to exceed 2M psi, BHP is calculated to be approximately 2662 psi. *All BOP's and associated equipment will be tested as per BLM Drilling Operations Order #2. The BOP will be operated and checked each 24 hr period & the blind rams will be operated & checked when the drill pipe is out of the hole. Functional tests will be documented on the daily driller's log. "EXHIBIT 3" also shows a 3M psi choke manifold with a 3" blow down line. Full opening stabbing valve & Kelly cock will be on derrick floor in case of need. No abnormal pressures of temperatures are expected in this well. No nearby wells have encountered any problems.

6. PROPOSED MUD CIRCULATION SYSTEM: (Closed Loop System)

INTERVAL	MW (ppg)	VISC (sec/qt)	FLUID LOSS (cc)	MUD TYPE
0' -350'	8.4	29	NC	Fresh Water
350' to 1150' 1220	9.8 - 10.0	29	NC	Brine
1150' - 6500'	8.9 – 9.0	29	NC	Cut Brine

^{**} The necessary mud products for weight addition and fluid loss control will be on location at all times. In order to run open hole logs & casing, the above mud properties may have to be altered to meet these needs.

7. AUXILIARY WELL CONTROL EQUIPMENT / MONITORING EQUIPMENT:

11" x 3000 psi Double BOP/Blind & pipe ram (3M BOP/BOPE to be used as a 2M system)

4-1/2" x 3000 psi Kelly valve

11" x 3000 psi mud cross – H2S detector on production hole

Gate-type safety valve 3" choke line from BOP to manifold

2" adjustable chokes - 3" blow down line

Fill up line per Onshore Order 2

8. LOGGING, CORING & TESTING PROGRAM: See COA

- A. OH logs: Dual Laterolog, MSFL, CNL, Litho-Density, Gamma Ray, Caliper & Sonic from TD back to 8-5/8" csg shoe.
- **B.** Run CNL, Gamma Ray from 8-5/8" csg shoe back to surface.
- C. No cores, DST's or mud logger are planned at this time.
- **D.** Additional testing will be initiated subsequent to setting the 5-1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows & drill stem tests.

9. POTENTIAL HAZARDS:

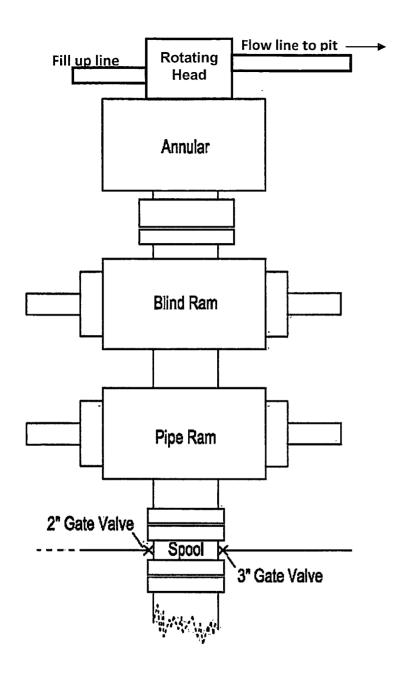
No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, however, the proposed mud program will be modified to increase the mud-weight. There is known presence of H₂S in this area. If H₂S is encountered the operator will comply with the provisions of *Onshore Oil & Gas Order No. 6.* No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP: 2662 psi and estimated BHT: 115°.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location construction will begin after Santa Fe & BLM has approved APD. Anticipated spud date will be as soon after Santa Fe and BLM approval and as soon as rig will be available. Move in operations and drilling is expected to take ~ 10 days. If production casing is run then an additional 90 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.

11. OTHER FACETS OF OPERATION:

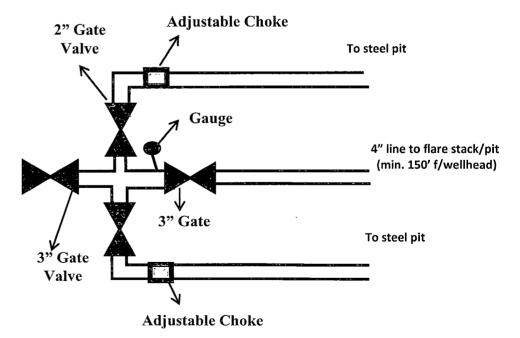
After running csg, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Loco Hils; Glorieta-Yeso formation will be perforated and stimulated in order to establish production. The well will be swab tested & potentialed as an oil well.

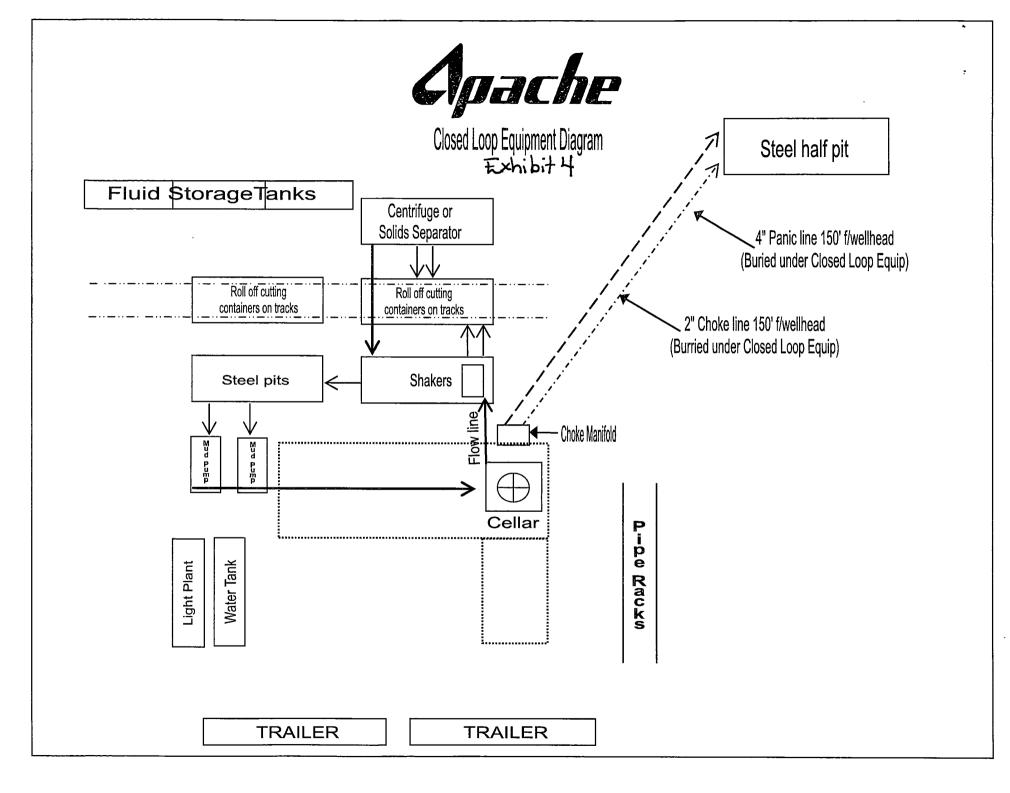


11" 3M psi BOPE & Choke Manifold EXHIBIT 3

All valve & lines on choke manifold are 2" unless noted.

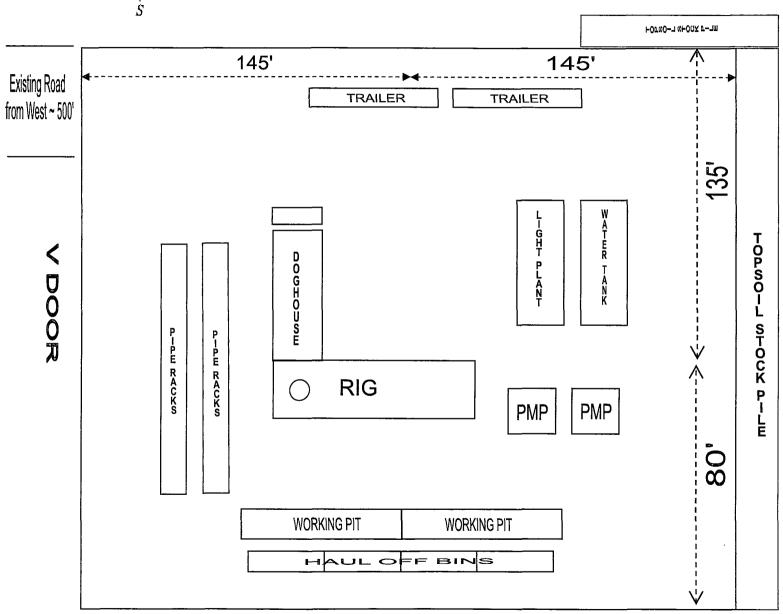
Exact manifold configuration may vary

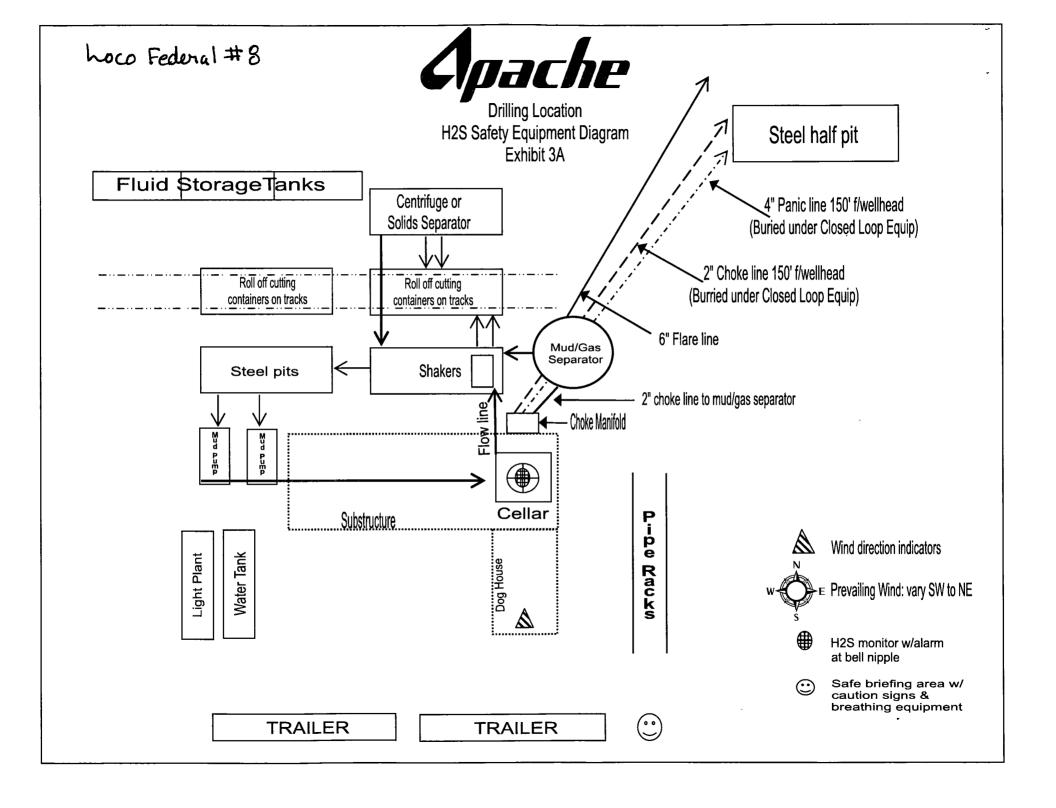






RIG ORIENTATION & LAYOUT LOCO FEDERAL #8 EXHIBIT 5





HYDROGEN SULFIDE (H2S) DRILLING OPERATIONS PLAN

Hydrogen Sulfide Training:

<u>All regularly assigned personnel, contracted or employed by Apache Corporation</u> will receive training from qualified instructor(s) in the following areas prior to commencing drilling possible hydrogen sulfide bearing formations in this well:

- The hazards and characteristics of hydrogen sulfide (H₂S)
- The proper use and maintenance of personal protective equipment and life support systems.
- The proper use of H₂S detectors, alarms, warning systems, briefing area, evacuation procedures & prevailing winds.
- The proper techniques for first aid and rescue procedures.

Supervisory personnel will be trained in the following areas:

- The effects of H₂S on metal components. If high tensile tubulars are to be utilized, personnel will be trained in their special maintenance requirements.
- Corrective action & shut-in procedures when drilling or reworking a well & blowout prevention / well control procedures.
- The contents and requirements of the H₂S Drilling Operations Plan

There will be an initial training session just prior to encountering a known or probable H_2S zone (within 3 days or 500') and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received proper training.

H₂S SAFETY EQUIPMENT AND SYSTEMS:

Well Control Equipment that will be available & installed if H2S is encountered:

- Flare Line with electronic igniter or continuous pilot.
- Choke manifold with a minimum of one remote choke.
- Blind rams & pipe rams to accommodate all pipe sizes with properly sized closing unit.
- · Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head & flare gun with flares

Protective Equipment for Essential Personnel:

• Mark II Survive-air 30 minute units located in dog house & at briefing areas, as indicated on wellsite diagram.

H2S Dection and Monitoring Equipment:

- Two portable H₂S monitors positioned on location for best coverage & response. These units have warning lights & audible sirens when H₂S levels of 20 ppm are reached.
- One portable H₂S monitor positioned near flare line.

H2S Visual Warning Systems:

- Wind direction indicators are shown on wellsite diagram.
- Caution / Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

Mud Program:

- The Mud Program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weights, safe
 drilling practices & the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.
- A mud-gas separator and H₂S gas buster will be utilized as needed.

Metallurgy:

- All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold & lines, & valves will be suitable for H₂S service.
- All elastomers used for packing & seals shall be H₂S trim.

Communication:

• Cellular telephone and 2-way radio communications in company vehicles, rig floor and mud logging trailer.

HYDROGEN SULFIDE (H2S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operators and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the :
 - o Detection of H₂S, and
 - o Measures for protection against the gas,
 - o Equipment used for protection and emergency response.

Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = I	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = I	2 ppm	N/A	1000 ppm

Contacting Authorities

Apache Corporation personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Apache's response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

WELL CONTROL EMERGENCY RESPONSE PLAN

I. GENERAL PHILOSOPHY

Our objective is to ensure that during an emergency, a predetermined procedure is followed so that prompt decisions can be made based on accurate information.

The best way to handle and emergency is with an experienced organization set up for the sole purpose of solving the problem. The *Well Control Emergency Response Team* was organized to handle dangerous & expensive well control problems. The *Team* is structured such that each individual can contribute the most from his area of expertise. Key decision-makers are determined prior to an emergency to avoid confusion about who is in charge.

If the well is flowing uncontrolled at the surface or subsurface, *The Emergency Response Team* will be mobilized. The *Team* is customized for the people currently on the Apache staff. Staff changes may require a change in the plan.

II. <u>EMERGENCY PROCEDURE ON DRILLING OR COMPLETION OPERATIONS</u>

A. In the event of an emergency the *Drilling Foreman or Tool-Pusher* will immediately contact only one of the following starting with the first name listed:

Name	Office	Mobile	Home
Danny Laman – Drlg Superintendent	432-818-1022	432-634-0288	432-520-3528
Bob Lange – Drilling Engineer	432-818-1114	432-661-6404	
Bobby Smith – Drilling Manager	432-818-1020	432-556-7701	
Jeff Burt – EH&S Coordinator		432-631-9081	

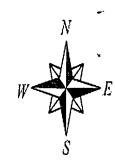
^{**}This one phone call will free the Drilling Foreman to devote his full time to securing the safety of personnel & equipment. This call will initiate the process to mobilize the Well Control Emergency Response Team. Apache maintains an Emergency Telephone Conference Room in the Houston office. This room is available for us by the Permian Region. The room has 50 separate telephone lines.

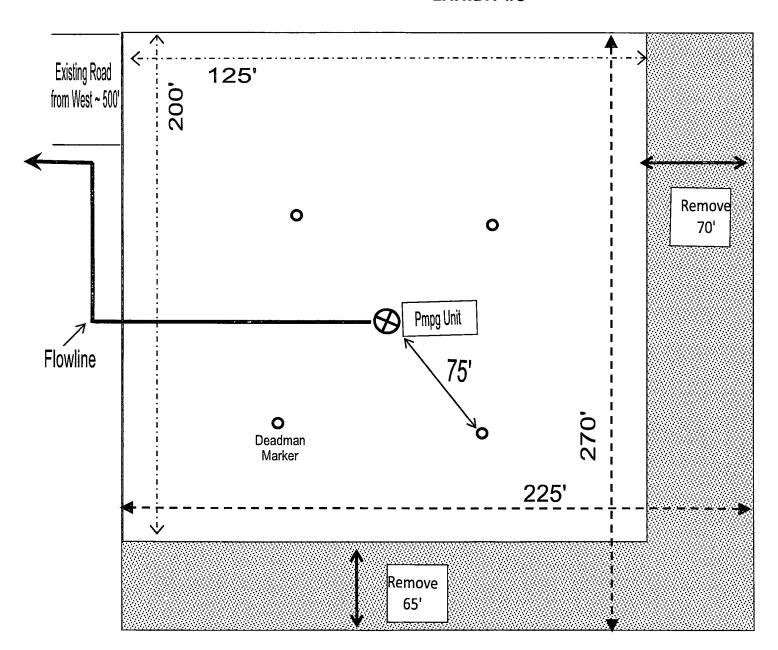
- **B.** The Apache employee contacted by the Drilling Foreman will begin contacting the rest of the *Team*. If **Danny Laman** is out of contact, **Bob Lange** will be notified.
- **C.** If a member of the *Emergency Response Team* is away from the job, he must be available for call back. Telephone numbers should be left with secretaries or a key decision-maker.
- **D.** Apache's reporting procedure for spills or releases of oil or hazardous materials will be implemented when spills or releases have occurred or are probable.

EMERGENCY RESPONSE NUMBERS:

SHERIFF DEPARTMENT	
Eddy County	575-887-7551
Lea County	575-396-3611
FIRE DEPARTMENT	911
Artesia	575-746-5050
Carlsbad	575-885-2111
Eunice	575-394-2111
Hobbs	575-397-9308
Jal	575-395-2221
Lovington	575-396-2359
HOSPITALS	911
HOSHIALS	
Artesia Medical Emergency	575-746-5050
Artesia Medical Emergency	
	575-746-5050
Artesia Medical Emergency Carlsbad Medical Emergency Eunice Medical Emergency	575-746-5050 575-885-2111
Artesia Medical Emergency Carlsbad Medical Emergency	575-746-5050 575-885-2111 575-394-2112
Artesia Medical Emergency Carlsbad Medical Emergency Eunice Medical Emergency Hobbs Medical Emergency	575-746-5050 575-885-2111 575-394-2112 575-397-9308
Artesia Medical Emergency Carlsbad Medical Emergency Eunice Medical Emergency Hobbs Medical Emergency Jal Medical Emergency	575-746-5050 575-885-2111 575-394-2112 575-397-9308 575-395-2221
Artesia Medical Emergency Carlsbad Medical Emergency Eunice Medical Emergency Hobbs Medical Emergency Jal Medical Emergency Lovington Medical Emergency	575-746-5050 575-885-2111 575-394-2112 575-397-9308 575-395-2221

INTERIM RECLAMATION LAYOUT LOCO FEDERAL #8 EXHIBIT #6





PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: LEASE NO.: NM106231

WELL NAME & NO.: 8 Loco Federal

SURFACE HOLE FOOTAGE: 2310' FNL & 1650' FEL

BOTTOM HOLE FOOTAGE ' FL &' FL

LOCATION: Section 21, T.17 S., R.30 E., NMPM

COUNTY: Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

C
General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
Special Requirements
Lesser Prairie-Chicken Timing Stipulations
Ground-level Abandoned Well Marker
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
☑ Drilling
H ₂ S Requirements-Onshore Order #6
Logging Requirements
Waste Material and Fluids
☐ Production (Post Drilling)
Well Structures & Facilities
Pipelines
Electric Lines
🔀 Interim Reclamation
☐ Final Ahandonment & Reclamation