Form 3160-5 (August 2007)

Approved By

Conditions of approval,

certify that the applicant holds legal or equitable title to those rig which would entitle the applicant to conduct operations thereon.

DEPARTMENT OF THE INTERIOR OCD Artesia

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Date

MAR 1 1 2014

BUREAU OF LAND MANAGEMENT 5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NMLC029395B Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse side. 8. Well Name and No Type of Well LEE FEDERAL (308720) 2 Oil Well Gas Well Other API Well No. Name of Operator Contact: FATIMA VASQUEZ APACHE CORPORATION E-Mail: Fatima.Vasquez@apachecorp.com 30-015-30268 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 3a. Address 303 VETERANS AIRPARK LANE STE 3000 Ph: 432-818-1015 CEDAR LAKE; GL-Y (96831) MIDLAND, TX 79705 4. Location of Well (Footage, Sec., T., R., M., or Survey Description, 11. County or Parish, and State Sec 20 T17S R31E 1650FNL 990FWL EDDY COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Acidize Deepen □ Production (Start/Resume) ☐ Water Shut-Off Notice of Intent ☐ Alter Casing ☐ Fracture Treat □ Reclamation ■ Well Integrity ☐ Subsequent Report Casing Repair ■ New Construction ☐ Recomplete Other Venting and/or Flari ☐ Plug and Abandon ☐ Final Abandonment Notice ☐ Change Plans □ 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 directionally or recomplete 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.) Apache is requesting permission to temporarily flare 4M mcf a day for 90 days from 09/06/2013-12/05/2013 on the wells listed below due to line capacity and over ressuring our vessels HECEIVED at the battery. Gas will be measured prior to flaring. 20 3/17/2014 MAR 14 2014 LEE FEDERAL #1 30-015-30243 -MMOOD LEE FEDERAL #2 30-015-30268 ~ LEE FEDERAL #3 30-015-30269 -NMOCD ARTESIA LEE FEDERAL #5 30-015-33029 -SEE ATTACHED FO LEE FEDERAL #6 30-015-30424~ LEE FEDERAL #8 30-015-30598~ CONDITIONS OF APPROVAL LEE FEDERAL #10 30-015-30511-SUBJECT TO LIKE LEE FEDERAL #11 30-015-32737 -APPROVAL BY STATE 14. I hereby certify that the foregoing is true and correct. Electronic Submission #218074 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 08/27/2013 () Name(Printed/Typed) FATIMA VASQUEZ Title REGULATORY TECH (Electronic Submission) Signature Date 08/23/2013 THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and wilfully to make 1610 Metalency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. CARL SRAD FIFLD OFFICE

, we attached. Approval of this notice does not warrant or legal or equitable title to those rights in the subject lease

Title

Additional data for EC transaction #218074 that would not fit on the form

32. Additional remarks, continued

LEE FEDERAL #63 30-015-40295

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

3/11/2014 Approved subject to Conditions of Approval. JDB

Condition of Approval to Flare Gas

- 1. Report all volumes on OGOR reports.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- Install gas meter on vent/flare line to measure gas prior to venting/flaring operations
 if it is not equipped as such at this time. Gas meter to meet all requirements for sale
 meter as Federal Regulations and Onshore Order #5. Include meter serial number on
 sundry.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JDB