

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY 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.***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. NMLC029395B |
| 2. Name of Operator APACHE CORPORATION Contact: FATIMA VASQUEZ E-Mail: fatima.vasquez@apachecorp.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705 | 3b. Phone No. (include area code) Ph: 432-818-1015 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T17S R31E SWNW 1650FNL 990FWL | | 8. Well Name and No. LEE FEDERAL 2 |
| | | 9. API Well No. 30-015-30268-00-S1 |
| | | 10. Field and Pool, or Exploratory LOCO HILLS |
| | | 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 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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Venting and/or Flaring |
| | <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 recompleat 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 5M mcf a day for 90 days from 03/06/2014-06/05/2014 on the wells listed below due to line capacity and over ressureing our vessels at the battery. Gas will be measured prior to flaring.

LEE FEDERAL #1 30-015-30243 ✓
LEE FEDERAL #2 30-015-30268 ✓
LEE FEDERAL #3 30-015-30269 ✓
LEE FEDERAL #5 30-015-33029 ✓
LEE FEDERAL #6 30-015-30424 ✓
LEE FEDERAL #8 30-015-30598 ✓
LEE FEDERAL #10 30-015-30511 ✓
LEE FEDERAL #11 30-015-32737 ✓

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 14 2015

RECEIVED

2/13/15
Accepted for record
NMOCSEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | |
|--|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #235610 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by MEIGHAN SALAS on 05/01/2014 (14MMS0082SE) | |
| Name (Printed/Typed) FATIMA VASQUEZ | Title REGULATORY ANALYST II |
| Signature (Electronic Submission) | Date 02/13/2014 |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | |
| Approved By | Title |
| 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 | |
| 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. | |

Additional data for EC transaction #235610 that would not fit on the form

32. Additional remarks, continued

LEE FEDERAL #12 30-015-30508 ✓
LEE FEDERAL #13 30-015-30425 ✓
LEE FEDERAL #14 30-015-32072 ✓
LEE FEDERAL #15 30-015-32048 ✓
LEE FEDERAL #16 30-015-32049 ✓
LEE FEDERAL #17 30-015-32648 ✓
LEE FEDERAL #18 30-015-31952 ✓
LEE FEDERAL #19 30-015-31962 ✓
LEE FEDERAL #20Y 30-015-32087 ✓
LEE FEDERAL #21 30-015-32073 ✓
LEE FEDERAL #27 30-015-32321 ✓
LEE FEDERAL #29 30-015-32376 ✓
LEE FEDERAL #30 30-015-32296 ✓
LEE FEDERAL #31 30-015-32297 ✓
LEE FEDERAL #32 30-015-33214 ✓
LEE FEDERAL #34 30-015-32738 ✓
LEE FEDERAL #35 30-015-32744 ✓
LEE FEDERAL #36 30-015-32739 ✓
LEE FEDERAL #37 30-015-32769 ✓
LEE FEDERAL #39 30-015-32740 ✓
LEE FEDERAL #40 30-015-32745 ✓
LEE FEDERAL #41 30-015-39611 ✓
LEE FEDERAL #42 30-015-39223 ✓
LEE FEDERAL #44 30-015-40031 ✓
LEE FEDERAL #45 30-015-40032 ✓
LEE FEDERAL #46 30-015-39915 ✓
LEE FEDERAL #47 30-015-40033 ✓
LEE FEDERAL #48 30-015-39897 ✓
LEE FEDERAL #49 30-015-39916 ✓
LEE FEDERAL #50 30-015-39888 ✓
LEE FEDERAL #51 30-015-40034 ✓
LEE FEDERAL #52 30-015-39889 ✓
LEE FEDERAL #54 30-015-40100 ✓
LEE FEDERAL #56 30-015-40730 ✓
LEE FEDERAL #57 30-015-40174 ✓
LEE FEDERAL #58 30-015-40175 ✓
LEE FEDERAL #59 30-015-40176 ✓
LEE FEDERAL #60 30-015-40177 ✓
LEE FEDERAL #61 30-015-40293 ✓
LEE FEDERAL #62 30-015-40294 ✓
LEE FEDERAL #63 30-015-40295 ✓
LEE FEDERAL #70 30-015-41112 ✓
LEE FEDERAL #72 30-015-41253 ✓
LEE FEDERAL #73 30-015-41113 ✓
LEE FEDERAL #74 30-015-41421 ✓
LEE FEDERAL #76 30-015-41551 ✓

**Lee Federal 2
30-015-30268
Apache Corporation
February 09, 2015
Conditions of Approval**

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
5. 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.

020915 JAM