

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**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMLC029395A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool, or Exploratory
Multiple--See Attached11. 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 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 06/01/2016 - 08/31/2016 on the wells listed below due to line capacity and over pressuring our vessels at the battery. Gas will be measured prior to flaring.

TONY FEDERAL #1 30-015-30381
TONY FEDERAL #2 30-015-30382
TONY FEDERAL #3 30-015-30470
TONY FEDERAL #4 30-015-30377
TONY FEDERAL #5 30-015-30378
TONY FEDERAL #6Y 30-015-30721
TONY FEDERAL #7 30-015-30428
TONY FEDERAL #8 30-015-30383
TONY FEDERAL #9 30-015-30384

NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 27 2016
RECEIVED

Approved for record
NMOCD

29

14. I hereby certify that the foregoing is true and correct. Electronic Submission #338731 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 05/10/2016 (16PP1104SE)	
Name (Printed/Typed) ISABEL HUDSON	Title REG. ANALYST
Signature (Electronic Submission)	Date 05/10/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title PETROLEUM ENGINEER	Date MAY 13 2016
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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Additional data for EC transaction #338731 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC029395A	NMLC029395A	TONY FEDERAL 28	30-015-33000-00-S1	Sec 19 T17S R31E SWNE Lot G 1750FNL 2310FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 29	30-015-32463-00-S3	Sec 19 T17S R31E SENE 1980FNL 860FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 3	30-015-30470-00-S1	Sec 18 T17S R31E NWSW 2310FSL 330FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 32	30-015-20142-00-S1	Sec 18 T17S R31E NWSW Lot L 1980FSL 660FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 33	30-015-39224-00-S1	Sec 18 T17S R31E SWSW Lot 4 885FSL 990FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 34	30-015-39342-00-S1	Sec 18 T17S R31E SWSE Lot O 1120FSL 1345FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 35	30-015-39225-00-S1	Sec 19 T17S R31E SWNE Lot G 1810FNL 1650FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 36	30-015-39836-00-S1	Sec 19 T17S R31E SENW 2310FNL 2260FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 37	30-015-40171-00-S1	Sec 19 T17S R31E NWNE 460FNL 1625FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 38	30-015-40471-00-S1	Sec 18 T17S R31E NESE 2300FSL 435FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 39	30-015-40172-00-S1	Sec 19 T17S R31E NWNE 1115FNL 1455FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 4	30-015-30377-00-S1	Sec 18 T17S R31E NWSE 2310FSL 2410FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 40	30-015-40173-00-S1	Sec 18 T17S R31E NWSE 2310FSL 1650FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 42	30-015-40387-00-S1	Sec 18 T17S R31E NESW 2425FSL 2160FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 43	30-015-40388-00-S1	Sec 19 T17S R31E Lot 1 1140FNL 330FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 45	30-015-40390-00-S1	Sec 18 T17S R31E SESE 990FSL 330FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 46	30-015-40391-00-S1	Sec 19 T17S R31E NENE 330FNL 330FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 5	30-015-30378-00-S1	Sec 18 T17S R31E SWSE 1090FSL 2366FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 6Y	30-015-30721-00-X1	Sec 19 T17S R31E NENW 245FNL 1499FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 7	30-015-30428-00-S1	Sec 19 T17S R31E NWNE 230FNL 2510FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 8	30-015-30383-00-S1	Sec 19 T17S R31E SWNW 1650FNL 330FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 9	30-015-30384-00-S1	Sec 18 T17S R31E SWSW 330FSL 736FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 26	30-015-33718-00-S1	Sec 19 T17S R31E NENE Lot A 990FNL 330FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 27	30-015-32753-00-S1	Sec 19 T17S R31E SENE Lot H 1650FNL 990FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 10	30-015-30244-00-S1	Sec 18 T17S R31E NESW 1385FSL 1410FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 1	30-015-30381-00-S1	Sec 18 T17S R31E SESW 330FSL 2056FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 11	30-015-31057-00-S1	Sec 18 T17S R31E NESW 2310FSL 1385FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 12	30-015-31253-00-S1	Sec 18 T17S R31E NESE 2310FSL 990FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 13	30-015-31328-00-S1	Sec 18 T17S R31E NESE 1550FSL 230FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 14	30-015-31083-00-S1	Sec 18 T17S R31E SESE 990FSL 865FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 15	30-015-31084-00-S1	Sec 18 T17S R31E SWSE 330FSL 1710FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 16	30-015-31254-00-S1	Sec 19 T17S R31E NENE 430FNL 990FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 17	30-015-32195-00-S1	Sec 18 T17S R31E NESW 1750FSL 2047FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 18	30-015-31577-00-S1	Sec 18 T17S R31E SESE 205FSL 430FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 19	30-015-32802-00-S1	Sec 18 T17S R31E NWSW Lot L 1650FSL 638FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 2	30-015-30382-00-S1	Sec 18 T17S R31E SESE 990FSL 330FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 20	30-015-33568-00-S1	Sec 18 T17S R31E NWSE Lot J 1650FSL 1750FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 21	30-015-33941-00-S1	Sec 19 T17S R31E NWNW Lot D 330FNL 330FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 22	30-015-33484-00-S1	Sec 19 T17S R31E NWNW Lot D 990FNL 737FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 23	30-015-33388-00-S1	Sec 19 T17S R31E NENW Lot C 990FNL 2057FWL
NMLC029395A	NMLC029395A	TONY FEDERAL 24	30-015-32661-00-S1	Sec 19 T17S R31E NWNE Lot B 990FNL 1650FEL
NMLC029395A	NMLC029395A	TONY FEDERAL 25	30-015-33085-00-S1	Sec 19 T17S R31E SENW Lot F 1650FNL 1403FWL

10. Field and Pool, continued

LOCO HILLS

32. Additional remarks, continued

TONY FEDERAL #10 30-015-30244
 TONY FEDERAL #11 30-015-31057
 TONY FEDERAL #12 30-015-31253
 TONY FEDERAL #13 30-015-31328
 TONY FEDERAL #14 30-015-31083
 TONY FEDERAL #15 30-015-31084
 TONY FEDERAL #16 30-015-31254
 TONY FEDERAL #17 30-015-32195
 TONY FEDERAL #18 30-015-31577
 TONY FEDERAL #19 30-015-32802
 TONY FEDERAL #20 30-015-33568
 TONY FEDERAL #21 30-015-33941
 TONY FEDERAL #22 30-015-33484
 TONY FEDERAL #23 30-015-33388
 TONY FEDERAL #24 30-015-32661
 TONY FEDERAL #25 30-015-33085
 TONY FEDERAL #26 30-015-33718
 TONY FEDERAL #27 30-015-32753
 TONY FEDERAL #28 30-015-33000
 TONY FEDERAL #29 30-015-32463
 TONY FEDERAL #32 30-015-20142
 TONY FEDERAL #33 30-015-39224
 TONY FEDERAL #34 30-015-39342
 TONY FEDERAL #35 30-015-39225
 TONY FEDERAL #36 30-015-39836
 TONY FEDERAL #37 30-015-40171
 TONY FEDERAL #38 30-015-40471
 TONY FEDERAL #39 30-015-40172
 TONY FEDERAL #40 30-015-40173

32. Additional remarks, continued

TONY FEDERAL #42 30-015-40387
TONY FEDERAL #43 30-015-40388
TONY FEDERAL #45 30-015-40390
TONY FEDERAL #46 30-015-40391

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
(575) 234-5972
Venting and/or Flaring
Conditions of Approval

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes, and volumes), and has determined the following Conditions of Approval apply.

Conditions of Approval to Flare Gas

1. Comply with NTL-4A requirements
2. Subject to like approval from NMOCID
3. **Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08"**
4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. 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.
5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
6. This approval does not authorize any additional surface disturbance.
7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per NTL-4A II. A. "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.