Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

Lease Serial No. NMLC029395A

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to report First Sold

By the sum of t

SUBMIT IN	TRIPLICATE - Other inst	ructions on page 2	UCD A	rtesia or CA/Ago	reement, Name and/or No.	
1. Type of Well				8. Well Name and N		
☑ Oil Well ☐ Gas Well ☐ Other				TONY FEDERA		
2. Name of Operator Contact: EMILY FOLLIS APACHE CORPORATION E-Mail: Emily.Follis@apachecorp.com				9. API Well No. 30-015-30377	·	
3a. Address 303 VETERANS AIRPARK LA MIDLAND, TX 79705	3b. Phone No. (include Ph: 432-818-1801	area code)	10. Field and Pool o [96831] CEDA	10. Field and Pool or Exploratory Area [96831] CEDAR LAKE; GLOR		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish	11. County or Parish, State	
Sec 18 T17S R31E NWSE 2310FSL 2410FEL				EDDY CO CO	EDDY CO COUNTY, NM	
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICATE NA	TURE OF NOTI	CE, REPORT, OR OT	THER DATA	
TYPE OF SUBMISSION			N			
Notice of Intent	☐ Acidize	☐ Deepen	☐ Pro	duction (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing	Hydraulic F	acturing 🔲 Rec	lamation	■ Well Integrity	
☐ Subsequent Report	□ Casing Repair	■ New Constr	ction 🔲 Rec	complete	⊠ Other	
☐ Final Abandonment Notice	Change Plans	Plug and Ab	andon 🔲 Ten	nporarily Abandon	Workover Operations	
	☐ Convert to Injection	Plug Back	☐ Wa	ter Disposal		
testing has been completed. Final Al determined that the site is ready for for the Apache would like to perform Objective: Cleanout/Drillout wwell, RTP Perfs:4,756?-5,013? (20 holes Simultaion:Acidize w/ 35,000 ATTACHMENTS:	inal inspection. the following: ell to PBTD, RIH and peri	orate new sections, possible SEE ons gel 20.5 Between	perform acid job,	swab ED FOR OF APPROV		
1. PROCEDURE Accepted for record • NMOCD					ESIA DISTRICT	
	Accepted for	ieur - Miloco		JU	L 0 3 2017	
14. I hereby certify that the foregoing is Name (Printed/Typed) EMILY FO	375005 verified by the E CORPORATION, se processing by DEBOR	nt to the Carlsbad	R	ECEIVED		
			APE	'R(JVFI)		
Signature (Electronic S		Date	05/04/2017			
	THIS SPACE FO	OR FEDERAL OR	TATE OFFICE	E 45€ 2017		
Approved By Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conductive of the second of the	uitable title to those rights in the act operations thereon. U.S.C. Section 1212, make it a	crime for any person kno	CARLSB. CFO vingly and willfully	LAND MANAGEMENT AD FIELD OFFICE	Date 6/16/2017 or agency of the United	
States any false, fictitious or fraudulent				, ,	- •	

Apache Corp. Actual DATE: Jan. 25, 2017 LEASE/UNIT: Tony Federal BY: HJG WELL: 04 30-015-30377 API NUMBER: **COUNTY: Eddy** LEGAL DESCRIPTION: J-18-17S-31E STATE: New Mexico FIELD Cedar Lake (BP) KB = 12'Spud: 7/14/99 Rig Release: 7/25/99 GL = 3747'17-1/2" 13-3/8" 48# J-55 Set @ 450' CMT W/ 450 SXS (Ready Mix to Surf) 12-1/4" 8-5/8" 24# J-55 Set @ 1,375' CMT W/800 SXS (CIRC/SURF) 7-7/8" 5-1/2" 17# J-55 LTC Set @ 5204' CMT W/400 SX (1st stage); 700 SX (2nd stage) TOC circ surf DVT @ 3,295' 2-7/8" J-55 TBG SN @ 5066'; TAC @ 4432' PADDOCK (8/5/99) 4756, 64, 4830, 42, 47, 50, 56, 69, 82, 98, 4900, 06, 23, 35, 38, 54, 65, 90, 5002, 13' (1 SPF; 20 Holes) Acidize w/ 54,000 gals 40# gel, 35,000 gals 20% HCl w/ Add; AVG 20.5 BPM & 2050 psi $\,$ **Formation Tops** Yates - 1490' TD = 5205'Queen - 2376' PBTD = 5192'San Andres - 3105' Glorietta - 4572'

Apache Corp. **Proposed** LEASE/UNIT: Tony Federal DATE: May. 01, 2017 WELL: 04 BY: **HJG** API NUMBER: 30-015-30377 **COUNTY: Eddy** LEGAL DESCRIPTION: J-18-17S-31E STATE: New Mexico FIELD Cedar Lake (BP) Spud: 7/14/99 $KB = 12^{\circ}$ Rig Release: 7/25/99 GL = 3747'13-3/8" 48# J-55 Set @ 450' 17-1/2" CMT W/ 450 SXS (Ready Mix to Surf) 12-1/4" 8-5/8" 24# J-55 Set @ 1,375' CMT W/800 SXS (CIRC/SURF) 7-7/8" 5-1/2" 17# J-55 LTC Set @ 5204' CMT W/ 400 SX (1st stage); 700 SX (2nd stage) TOC circ surf DVT @ 3,295' 2-7/8" J-55 TBG SN @ 5066'; TAC @ 4432' PADDOCK (Proposed) 4596, 4623, 47, 51, 66, 76, 90, 4890, 94, 4914, 18, 76, 80' (3 SPF, 120 deg, 39 Holes) PADDOCK (8/5/99) 4756, 64, 4830, 42, 47, 50, 56, 69, 82, 98, 4900, 06, 23, 35, 38, 54, 65, 90, 5002, 13' (1 SPF; 20 Holes) Acidize w/ 54,000 gals 40# gel, 35,000 gals 20% HCl w/ Add; AVG 20.5 BPM & 2050 psi **Formation Tops** Yates - 1490' Queen - 2376' TD = 5205'San Andres - 3105' **PBTD** = 5192'Glorietta - 4572'

Tony Federal #4 API # 30-015-30377

L-18-17S-31E

Elevation: 3,747' KB, 3,759' GL

TD: 5,205' PBTD: 5,192'

Casing Record:

13-3/8" 54.5# J-55 @ 450' w/450 sxs @ surface

8-5/8" 24# @ 1,375' w/800 sxs @ surface

5-1/2" 17# @ 5,204' w/400 sxs 1st, w/700 sxs 2nd @ surface

Perfs:

4,756'-5,013' (20 holes)

Simultaion:

Acidize w/ 35,000 gallons 20%, 54,000 gallons gel

20.5 BPM @ 2,050 psi

Objective: Cleanout/Drillout well to PBTD, RIH and perforate new sections, perform acid job, swab well, RTP

AFE: 11-17-0507

1. MIRU unit. Check pressure on well.

- 2. ND WH. NU BOP. Release TAC and tag for fill. POOH w/ tubing. Unload and rack extra 2-7/8" tubing to be used as WS.
- 3. PU bailer and RIH to fill depth and begin cleanout. When bailer no longer is producing fill tag again and notify Midland of new PBTD. Make decision to leave PBTD as is or RIH with bit and collars and drill out to recorded PBTD. Record new PBTD. Circulate hole clean. POOH.
- 4. MIRU WL. RIH w/ perforating gun and perforate the Yeso as follows: 4596', 4623', 4647', 4651', 4666', 4676', 4690', 4890', 4894', 4914', 4918', 4976', 4980' @ 3 spf 120 degree phasing w/ Geo Frac -1Q charges @ .4" EHD (39 holes). Correlate to Halliburton Gamma CCL Depth Control Log dated 07/27/1999. POOH w/ WL. RDMO WL.
- 5. PU PKR and RIH on 2-7/8" production tubing and set PKR @ 4560'. Spot 600 gal 15% NEFE acid across perforations.
- 6. MIRU acid services. Acidize down 2-7/8" J-55 tubing w/ 5000 gals of 15% NEFE HCL w/ additives using 90 ball sealers to divert evenly spaced through the job. Treating rate should be maintained at 20 BPM. Max treating pressure not to exceed 5000 psi. Displace to bottom perf with 40 BBLs of flush at rate. Surge balls.
- 7. Release PKR and TIH to knock balls off perforations. TOH and set PRK at ~4560'.
- 8. RU swab equipment and recover load and swab test perfs for fluid entry and oil cut. Report results to Midland. RD swab equipment.
- 9. Kill well if necessary. Release PKR and TOH.
- 10. RIH w/ production tubing and rods as per design.
- 11. RTP and put well into test.

Tony Federal 4 30-015-30377 Apache Coportaion Conditions of Approval

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise. Exceptions to these restrictions may be granted by BLM's Cassandra Brooks <crbooks@blm.gov> 575.234.2232

Notify BLM at 575-393-3612 (Lea County) a minimum of 24 hours prior to commencing work.

Work to be completed by September 16, 2017.

- 1. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.
- 2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 3. Surface disturbance beyond the originally approved pad must have prior approval.
- 4. Closed loop system required.
- 5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

- 6. Operator to have H2S monitoring equipment on location.
- 7. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 8. Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.
- 9. See attached for General Plugback Guidelines

MHH 06162017

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

- 1. Plug back operations shall commence within <u>ninety (90)</u> days from this approval. If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

- 6. <u>Subsequent Plug back Reporting:</u> Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was completed.</u> If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.
- 7. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.