

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC
Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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 page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. State
2. Name of Operator Apache Corporation (873)		6. If Indian, Allottee or Tribe Name
3a. Address 303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705	3b. Phone No. (include area code) 432/818-1142	7. If Unit of CA/Agreement, Name and/or No. 8910138010
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T17S R28E		8. Well Name and No. Empire Abo Unit D 40
		9. API Well No. 30-015-01555
		10. Field and Pool or Exploratory Area Empire; Abo (22040)
		11. County or Parish, State Eddy County, NM

12. CHECK THE 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 <u>Flaring</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 an extension to flare gas from the Empire Abo Unit D-40 Federal Battery effective 06/01/2016 - 08/31/2016. A combined total of approximately 500 mcf per day will be flared from the wells listed below. Gas will be measured prior to flaring.

- | | |
|------------------------------------|------------------------------------|
| 30-015-01534 EMPIRE ABO UNIT #42 | 30-015-01536 EMPIRE ABO UNIT #41A |
| 30-015-01538 EMPIRE ABO UNIT #43 | 30-015-01550 EMPIRE ABO UNIT #38 |
| 30-015-01551 EMPIRE ABO UNIT #37 | 30-015-01552 EMPIRE ABO UNIT #39 |
| 30-015-01554 EMPIRE ABO UNIT #39A | 30-015-01555 EMPIRE ABO UNIT #40 |
| 30-015-01556 EMPIRE ABO UNIT #40A | 30-015-01557 EMPIRE ABO UNIT #37A |
| 30-015-01736 EMPIRE ABO UNIT #38B | 30-015-03192 EMPIRE ABO UNIT #48 |
| 30-015-03193 EMPIRE ABO UNIT #47 | 30-015-03194 EMPIRE ABO UNIT #46A |
| 30-015-21822 EMPIRE ABO UNIT #382 | 30-015-21826 EMPIRE ABO UNIT #391 |
| 30-015-22203 EMPIRE ABO UNIT #372 | 30-015-22766 EMPIRE ABO UNIT #384 |
| 30-015-22772 EMPIRE ABO UNIT #375 | 30-015-22776 EMPIRE ABO UNIT #382 |
| 30-015-22786 EMPIRE ABO UNIT #376 | 30-015-22804 EMPIRE ABO UNIT #363 |
| 30-015-22805 EMPIRE ABO UNIT #373 | 30-015-22806 EMPIRE ABO UNIT #383A |
| 30-015-22819 EMPIRE ABO UNIT #393 | 30-015-22843 EMPIRE ABO UNIT #395 |
| 30-015-22911 EMPIRE ABO UNIT #391A | 30-015-39012 EMPIRE ABO UNIT #420 |

Accepted For Record
NMOC

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	
Isabel Hudson	Title Regulatory Analyst
Signature	Date 05/10/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS	Title PETROLEUM ENGINEER	Date MAY 23 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.

(Instructions on page 2)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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 NMOCD
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.