

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS **Carlsbad Field Office**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. **OC D Artesia**

5. Lease Serial No. See Attached
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
8910138010

1. Type of Well
 Oil Well Gas Well Other: INJECTION

8. Well Name and No.
Multiple--See Attached

2. Name of Operator APACHE CORPORATION Contact: ISABEL HUDSON
E-Mail: Isabel.Hudson@apachecorp.com

9. API Well No.
Multiple--See Attached

3a. Address 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705
3b. Phone No. (include area code) Ph: 432.818.1142

10. Field and Pool or Exploratory Area
ABO EMPIRE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple--See Attached

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"/> Hydraulic Fracturing	<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 Venting and/or Flaring
	<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 11/30/2016 - 01/31/2017. 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
- 30-015-01538 EMPIRE ABO UNIT #43
- 30-015-01551 EMPIRE ABO UNIT #37
- 30-015-01554 EMPIRE ABO UNIT #39A
- 30-015-01556 EMPIRE ABO UNIT #40A
- 30-015-01736 EMPIRE ABO UNIT #38B
- 30-015-03193 EMPIRE ABO UNIT #47
- 30-015-01536 EMPIRE
- 30-015-01550 EMPIRE ABO UNIT #38
- 30-015-01552 EMPIRE ABO UNIT #39A
- 30-015-01555 EMPIRE ABO UNIT #40
- 30-015-01557 EMPIRE ABO UNIT #41
- 30-015-03192 EMPIRE ABO UNIT #48
- 30-015-03194 EMPIRE ABO UNIT #46A

MIN OIL CONSERVATION
ARTESIA DISTRICT
FEB 13 2017

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #358880 verified by the BLM Well Information System For APACHE CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/13/2016 (17DLM0377SE)

Name (Printed/Typed) ISABEL HUDSON

Title REG ANALYST

Signature (Electronic Submission)

Date 11/23/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

FEB 9 2017

Approved By MUSTAFA HAQUE

Title PETROLEUM ENGINEER

Date 02/09/2017

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 Carlsbad

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)

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

Additional data for EC transaction #358880 that would not fit on the form

5. Lease Serial No., continued

NMLC062407
STATE

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM70945X	STATE	EMPIRE ABO D 40	30-015-01555-00-S1	Sec 26 T17S R28E SESE 660FSL 660FEL
NMNM70945X	STATE	EMPIRE ABO D 38	30-015-01550-00-S1	Sec 26 T17S R28E SESW 330FSL 2310FWL
NMNM70945X	STATE	EMPIRE ABO E 363	30-015-22804-00-S1	Sec 34 T17S R28E NENE 650FNL 120FEL
NMNM70945X	STATE	EMPIRE ABO C 37	30-015-01557-00-S1	Sec 26 T17S R28E NWSW 1650FSL 990FWL
NMNM70945X	STATE	EMPIRE ABO D 37	30-015-01551-00-S1	Sec 26 T17S R28E SWSW 500FSL 820FWL
NMNM70945X	STATE	EMPIRE ABO E 372	30-015-22203-00-S1	Sec 35 T17S R28E NWNW 100FNL 1291FWL
NMNM70945X	STATE	EMPIRE ABO F 373	30-015-22805-00-S1	Sec 35 T17S R28E SWNW 1820FNL 150FWL
NMNM70945X	STATE	EMPIRE ABO F 375	30-015-22772-00-S1	Sec 35 T17S R28E SWNW 1780FNL 1175FWL
NMNM70945X	STATE	EMPIRE ABO F 376	30-015-22786-00-S1	Sec 35 T17S R28E SWNW 1335FNL 700FWL
NMNM70945X	STATE	EMPIRE ABO E 38	30-015-01736-00-S1	Sec 35 T17S R28E NENW 660FNL 1980FWL
NMNM70945X	STATE	EMPIRE ABO E 382	30-015-21822-00-S1	Sec 35 T17S R28E NENW 1175FNL 1316FWL
NMNM70945X	STATE	EMPIRE ABO F 382	30-015-22776-00-S1	Sec 35 T17S R28E SENW 2400FNL 1600FWL
NMNM70945X	STATE	EMPIRE ABO F 383	30-015-22806-00-S1	Sec 35 T17S R28E SENW 1600FNL 2350FWL
NMNM70945X	STATE	EMPIRE ABO E 384	30-015-22766-00-S1	Sec 35 T17S R28E NENW 660FNL 1400FWL
NMNM70945X	STATE	EMPIRE ABO C 39	30-015-01554-00-S1	Sec 26 T17S R28E NWSE 1650FSL 1980FEL
NMNM70945X	STATE	EMPIRE ABO D 39	30-015-01552-00-S1	Sec 26 T17S R28E SWSE 330FSL 1980FEL
NMNM70945X	STATE	EMPIRE ABO E 391	30-015-21826-00-S1	Sec 35 T17S R28E NWNE 135FNL 2567FEL
NMNM70945X	STATE	EMPIRE ABO F 391	30-015-22911-00-S1	Sec 35 T17S R28E SWNE 1545FNL 1625FEL
NMNM70945X	STATE	EMPIRE ABO E 393	30-015-22819-00-S1	Sec 35 T17S R28E NWNE 135FNL 2567FEL
NMNM70945X	STATE	EMPIRE ABO E 395	30-015-22843-00-S1	Sec 35 T17S R28E NWNE 75FNL 1820FEL
NMNM70945X	STATE	EMPIRE ABO C 40	30-015-01556-00-S1	Sec 26 T17S R28E NESE 1650FSL 660FEL
NMNM70945X	STATE	EMPIRE ABO C 42	30-015-01534-00-S1	Sec 25 T17S R28E NESW 1650FSL 2310FWL
NMNM70945X	STATE	EMPIRE ABO UNIT 420	30-015-39012-00-S1	Sec 26 T17S R28E SESW 960FSL 1570FWL
NMNM70945X	STATE	EMPIRE ABO C 43	30-015-01538-00-S1	Sec 25 T17S R28E NWSE 1650FSL 1980FEL
NMNM70945X	STATE	EMPIRE ABO C 46	30-015-03194-00-S1	Sec 30 T17S R29E NESW 2314FSL 1256FWL
NMNM70945X	NMLC062407	EMPIRE ABO C 47	30-015-03193-00-S1	Sec 30 T17S R29E NWSE 2150FSL 2310FEL
NMNM70945X	NMLC062407	EMPIRE ABO C 48	30-015-03192-00-S1	Sec 30 T17S R29E NESE 1980FSL 990FEL

32. Additional remarks, continued

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

Revisions to Operator-Submitted EC Data for Sundry Notice #358880

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	FLARE NOI	FLARE NOI
Lease:	NMLC065478B	NMLC062407 STATE
Agreement:	NMNM70945X	8910138010 (NMNM70945X)
Operator:	APACHE CORP 303 VETERANS AIRPARK LANE SUITE 1000 MIDLAND, TX 79705 Ph: 432-818-1000	APACHE CORPORATION 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705 Ph: 432.818.1000
Admin Contact:	ISABEL HUDSON REG. ANALYST E-Mail: Isabel.Hudson@apachecorp.com Ph: 432-818-1142	ISABEL HUDSON REG ANALYST E-Mail: Isabel.Hudson@apachecorp.com Ph: 432.818.1142
Tech Contact:	ISABEL HUDSON REG. ANALYST E-Mail: Isabel.Hudson@apachecorp.com Ph: 432-818-1142	ISABEL HUDSON REG ANALYST E-Mail: Isabel.Hudson@apachecorp.com Ph: 432.818.1142
Location: State: County:	NM EDDY	NM EDDY
Field/Pool:	EMPIRE; ABO (22040)	ABO EMPIRE
Well/Facility:	EMPIRE ABO UNIT D 40 Sec 26 T17S R28E	EMPIRE ABO D 40 Sec 26 T17S R28E SESE 660FSL 660FEL EMPIRE ABO D 38 Sec 26 T17S R28E SESW 330FSL 2310FWL EMPIRE ABO E 363 Sec 34 T17S R28E NENE 650FNL 120FEL EMPIRE ABO C 37 Sec 26 T17S R28E NWSW 1650FSL 990FWL EMPIRE ABO D 37 Sec 26 T17S R28E SWSW 500FSL 820FWL EMPIRE ABO E 372 Sec 35 T17S R28E NWNW 100FNL 1291FWL EMPIRE ABO F 373 Sec 35 T17S R28E SWNW 1820FNL 150FWL EMPIRE ABO F 375 Sec 35 T17S R28E SWNW 1780FNL 1175FWL EMPIRE ABO F 376 Sec 35 T17S R28E SWNW 1335FNL 700FWL EMPIRE ABO E 38 Sec 35 T17S R28E NENW 660FNL 1980FWL EMPIRE ABO E 382 Sec 35 T17S R28E NENW 1175FNL 1316FWL EMPIRE ABO F 382 Sec 35 T17S R28E SENW 2400FNL 1600FWL EMPIRE ABO F 383 Sec 35 T17S R28E SENW 1600FNL 2350FWL EMPIRE ABO E 384 Sec 35 T17S R28E NENW 660FNL 1400FWL EMPIRE ABO C 39 Sec 26 T17S R28E NWSE 1650FSL 1980FEL EMPIRE ABO D 39 Sec 26 T17S R28E SWSE 330FSL 1980FEL EMPIRE ABO E 391 Sec 35 T17S R28E NWNE 135FNL 2567FEL EMPIRE ABO F 391 Sec 35 T17S R28E SWNE 1545FNL 1625FEL EMPIRE ABO E 393 Sec 35 T17S R28E NWNE 135FNL 2567FEL EMPIRE ABO E 395 Sec 35 T17S R28E NWNE 75FNL 1820FEL EMPIRE ABO C 40 Sec 26 T17S R28E NESE 1650FSL 660FEL EMPIRE ABO C 42 Sec 25 T17S R28E NESW 1650FSL 2310FWL EMPIRE ABO UNIT 420

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

Apache Corporation
Empire Abo Unit D 40
NMNM70945X

02/09/2017

Pursuant to **NTL-4A III**, Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. Emergencies. During temporary emergency situations, such as compressor or other equipment failures, relief of abnormal system pressures, or other conditions which result in the unavoidable short-term venting or flaring of gas. However, this authorization to vent or flare gas in such circumstances without incurring a royalty obligation is limited to 24 hours per incident and to 144 hours cumulative for the lease during any calendar month, except with the prior authorization, approval, ratification, or acceptance of the Supervisor.
- B. Well Purging and Evaluation Tests. During the unloading or cleaning up of a well during drillstem, producing, routine purging, or evaluation tests, not exceeding a period of 24 hours.
- C. Initial Production Tests. During initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first, unless a longer test period has been authorized by the appropriate State regulatory agency and ratified or accepted by the Supervisor.
- D. Routine or Special Well Tests. During routine or special well tests, other than those cited in NTL-4A III.B and C above, only after approval by the Supervisor.

If a flaring event conforms with the requirements listed above as per NTL-4A III., the flared volumes are not royalty bearing and the operator does not need to submit a Sundry Notice. Report flared volumes as unavoidably lost on OGOR B.

Condition of Approval to Flare Gas

1. The first 24 hours of a temporary emergency flare* is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). NTL-4A specifies no more than 24 hours per incident and no more 144 hours cumulative for the lease during any calendar month. These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
2. Flared volumes considered to be "avoidably lost":
 - Exceeding the first 24 hours for each temporary emergency flare event (144 hours cumulative for the lease per month), well purging and evaluation test.
 - During initial well evaluation tests, exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first
 - Scheduled flaring operations

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in NTL-4A are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with NTL-4A.IV.B.. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08". If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with NTL-4A.IV.B.. As an

alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.

3. Approval not to exceed 90 days, (from 11/30/2016 to 01/31/2017), if flaring is still required past 90 days submit new request for approval.
4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). **Include method for volume determination and duration. Report unavoidably lost (first 24 hrs of unexpected event) and avoidably lost (exceeding the first 24 hrs or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.**
5. In determining the volumes of gas to be reported in accordance with NTL-4A the BLM CFO requires 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 Notice (Form 3160-5).
 - If installation of an approved gas meter is not economically feasible for continued operations. Submit Notice of Intent - Sundry Notice (Form 3160-5) to request an alternate method of determining gas volumes with a valid justification. Alternate methods are listed in NTL-4A. The Authorized Officer may require the installation of additional measurement equipment whenever it is determined that the present methods are inadequate to meet the purposes of this Notice.
6. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
7. This approval does not authorize any additional surface disturbance.
8. Subject to like approval from NMOCD

Regulations and Definitions

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.

NTL-4A.IV.B. Oil Well Gas. Except as provided in II.C and III above, oil well gas may not be vented or flared unless approved in writing by the Supervisor. The Supervisor may approve an application for the venting or flaring of oil well gas if justified either by the submittal of (1) an evaluation report supported by engineering, geologic, and economic data which demonstrates to the satisfaction of the Supervisor that the expenditures necessary to market or beneficially use such gas are not economically justified and that conservation of the gas, if required, would lead to the premature abandonment of recoverable oil reserves and ultimately to a greater loss of equivalent energy than would be recovered if the venting or flaring were permitted to continue or (2) an action plan that will eliminate venting or flaring of the gas within 1 year from the date of application.

*Temporary Emergency Flaring is defined as an unexpected situation requiring immediate action. A flaring event is considered an emergency if the occurrence is out of the operators control and the operator had less than 24 hrs notification of the event. Scheduled or routine flare events will not be considered an emergency.