

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

JAN 15 2014 Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC032096A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other WSW

2. Name of Operator
Apache Corporation (873)

3a. Address
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

3b. Phone No. (include area code)
432/818-1062

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

660' FNL & 660' FEL, Sec. 17, T21S, R37E

7. If Unit of CA/Agreement, Name and/or No.
WBDU 120042X

8. Well Name and No.
West Blinbry Drinkard Unit (WBDU) #67

9. API Well No.
30-025-06639

10. Field and Pool or Exploratory Area
WSW; San Andres (96221)

11. Country or Parish, State
Lea 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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 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 must 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 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 intends to work on and possibly squeeze this well, due to a suspected casing leak.

The well began to build pressure on the 7" production casing/3.5" tubing annulus above normally observed levels, indicating gas influx into the wellbore. Pressure was measured on the bradenhead of the 9-5/8" intermediate casing (the annular space between the 9-5/8" and the 7" casing and the annular space between production hole and the 7" casing) to be equalized with that of the 7" production casing/3.5" tubing annulus, indicating a leak has developed in the 7" production casing. Estimated cement top in the well is between 2830' - 3325', which is below the 9-5/8" intermediate casing, which is set at 2819'.

Apache intends to pull production equipment from the well, run in with a retrievable bridge plug and packer, and attempt to locate the suspected casing leak (s). Any leaks that are located will be cement squeezed under a retainer, the casing pressure tested after cement drill out, and the well returned to production.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Reesa Holland Fisher

Title Sr. Staff Reg Tech

Signature

Reesa Fisher

Date 12/19/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.

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)

MAB/OCD 1/16/2014

JAN 21 2014

APPROVED

JAN 10 2014

Is/ Chris Walls

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

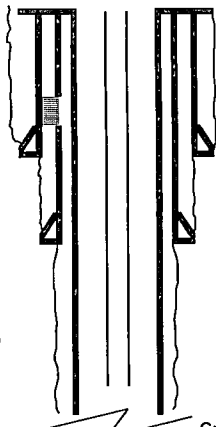
APACHE CORPORATION
WBDU #67WSW (Lockhart A-17 #4)
WELL DIAGRAM (CURRENT CONFIGURATION)



13-3/8"
 CMT. CIRC
 TO SURF.

9-5/8"
 CMT W/900SX
 TOC @ 1538'
 PERFED & SQZ
 150sx @ 1295'
 TOC @ 675' (TS)

7" EST. CEMENT TOP
 2830' (CBL)
 3325' (TS)



Grayburg
 (Sq w/200sx)
 3749-93'

San Andres
 (Active)
 4100-22', 24-46', 50-86'
 4190-4202', 4208-46'
 4256-60', 66-74', 78-86'
 (Suspended)
 4430-38', 50-54', 56-70'
 4472-88'

CIBP @ 4400
 w/37' CMT @ 4363'

PBTD: 5080'

521' CMT CAP

CMT RET. @ 5601'
 w/56 bbls CMT

Blinebry
 (Sq w/200sx)
 5662-68', 83-87'
 5723-29', 65-69',
 5798-5802', 5830-36'
 5868-72'

CIBP @ 5905'
 w/25sx @ 5786'

CSG. Collapse @ +/-5900'

Fill @ 5935'
 Lok-set pkr @ 5950'
 w/16 jts (591') tail-pipe

Tubb
 6220-25', 6266-6314'

Model D pkr @ 6515'
 w/ 2 jts tbgs

Drinkard
 6611-44', 51-69'
 6677-83', 97-97'

CMT RET. @ 6698'

(Sq w/50sx)
 6701-19', 24-48'

TD: 6,770.0

WELL NAME:		WBDU #67WSW (Lockhart A-17 #4)		API:		30-025-06639	
LOCATION:		660°N/660°E Unit A, Sec. 17, T-21S, R-37E		COUNTY:		Lea Co., NM	
SPUD-TD DATE:		10/4/1949 - 11/6/1949		COMP. DATE:		12/1/1949	
PREPARED BY:		Michael Hunter		DATE:		9/10/2013	
TD (ft):		6,770.0		KB Elev. (ft):		3495.00	
KB Dist. H							
PBTD (ft):		5,080.0		Ground Elev. (ft):		3485.00	
KB to Ground (ft):						10.00	
CASING/TUBING		SIZE (IN)		WEIGHT (LB/FT)		GRADE	
DEPTHS (FT)							
Surface Casing		13-3/8" (250sx)		48.00		H-40	
Int. Casing		9-5/8" (650sx)		36/40		J-55/N-80	
Prod. Casing		7" (650sx)		23.00		J-55/N-80	
Tubing		3-1/2"		9.30		J-55 IPC	
PRODUCTION TBG STRING							
ITEM		DESCRIPTION				LENGTH (FT)	
Depth (FT)							
1		3-1/2" 9.3 lb/ft J-55 IPC TBG					
2		3/8" SS CHEMICAL CAPILLARY STRING					
3							
4							
5							
6							
7							
8							
9							
10							
ESP EQUIPMENT							
ITEM		DESCRIPTION				LENGTH (FT)	
Btm (FT)							
1		ESP EQUIPMENT:					
2		PUMP DISCHARGE					
3		PUMP INTAKE					
4		MOTOR BOTTOM					
5							
6							
7							
8							
9							
10							
SURFACE EQUIPMENT							
PERFORATIONS							
Form.		Intervals					
Grayburg		3479-93' (Sq w/200sx)					
San Andres		4100-22', 24-46', 50-86', 4190-4202', 4208-46', 56-60', 66-74', 78-86' (Active) 4430-38', 50-54', 56-70', 72-88' (Suspended)					
Blinebry		5662-68', 83-87', 5723-29', 65-69', 5798-5802', 5830-36', 5868-72' (Sq w/200sx)					
Tubb		6220-25', 6266-6314' (Abandoned)					
Drinkard		6611-44', 51-69', 77-83', 97-97' (Abandoned) 6701-19', 24-48' (Sq w/50sx)					

Conditions of Approval

Apache Corporation

WBDU 67

API 3002506639

1. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
2. Surface disturbance beyond the existing pad shall have prior approval.
3. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
4. Functional H₂S monitoring equipment shall be on location.
5. All waste (i.e. 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. After squeezing the casing leak, perform a BLM PET witnessed (charted) casing integrity test of 500 psig. Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.
7. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.

Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.

- 4) Make arrangements 24 hours before the test for BLM to witness. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
 - a) Approved injection pressure compliance is required.
 - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- 11) A "Best Management Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
- 12) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 13) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 14) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0 psia. Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
- 15) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are

to be included in the subsequent sundry. List daily descriptions of any previously unreported wellbore workover(s) and reason(s) the well annular fluid was replaced.

CRW 010813

Access information for **use of Form 3160-5** "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.