

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-~~start~~
abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.
NMNM90161

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

AUG 16 2018
RECEIVED

8. Well Name and No.
HAWK B-1 12

9. API Well No.
30-025-06435-00-S1

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
APACHE CORPORATION

Contact: REESA FISHER
E-Mail: Reesa.Fisher@apachecorp.com

3a. Address
303 VETERANS AIRPARK LANE SUITE 3000
MIDLAND, TX 79705

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

10. Field and Pool or Exploratory Area
PENROSE SKELLY

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 8 T21S R37E SWSE 660FSL 1980FEL
32.487975 N Lat, 103.182994 W Lon

11. County 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"/> Hydraulic Fracturing	<input checked="" 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 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 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 respectfully request that the Interim Reclamation requirements for the following wells listed on the attached list be released based on the attached waivers granted by the current Surface Owner, which states in part:

?With respect to any obligation of Operator to conduct interim reclamation of disturbed areas within the Lands pursuant to any APD's which have been approved by the United States Bureau of Land Management in connection with operations and activities of Operator on or before the effective date of this Agreement, the Surface Owner does hereby waive Operator, its subsidiaries, affiliates, and all other related entities from its and their obligation of interim reclamation.?

The cooperation of the United States Bureau of Land Management concerning this matter is greatly appreciated.

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

**Electronic Submission #429439 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/01/2018 (18DLM0456SE)**

Name (Printed/Typed) REESA FISHER	Title SR STAFF REGULATORY ANALYST
Signature (Electronic Submission)	Date 07/31/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>James A. Brown</i>	Title <i>Supv. AET</i>	Date <i>8-24-18</i>
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 <i>Carlsbad</i>

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.

API	LEASE NAME	SEC	TWN	RNG	FIELD NAME	LATITUDE	LONGITUDE
30-025-06435	HAWK-FEDERAL B-1 #12	8	21S	37E	EUMONT	32.48786	-103.1823
30-025-40678	HAWK FEDERAL B-1 #70	8	21S	37E	WANTZ	32.49244	-103.18628
<i>128074</i> <i>118318</i> 30-025-40458	HAWK FEDERAL B-1 #69	8	21S	37E	WANTZ	32.49288	-103.18196
30-025-38493	HAWK B-1 #58	8	21S	37E	PENROSE-SKELLY	32.49331	-103.18088
30-025-39511	HAWK B-1 #55	8	21S	37E	PENROSE-SKELLY	32.49246	-103.18571
30-025-37997	HAWK B-1 #51	8	21S	37E	EUNICE NORTH	32.48959	-103.18507
30-025-38014	HAWK B-1 #50	8	21S	37E	PENROSE-SKELLY	32.49211	-103.17734
30-025-36532	HAWK B-1 #39	8	21S	37E	PENROSE-SKELLY	32.48941	-103.17647
30-025-36158	HAWK B1 #32	8	21S	37E	PENROSE-SKELLY	32.48986	-103.18046
30-025-26601	HAWK B-1 #16	8	21S	37E	EUNICE NORTH	32.48787	-103.18672
30-025-26601	HAWK B-1 #15	8	21S	37E	EUNICE NORTH	32.49181	-103.18709
30-025-06435	HAWK B-1 #12	8	21S	37E	PENROSE-SKELLY	32.48786	-103.1823
30-025-35807	HAWK 'B-1' #29	8	21S	37E	PENROSE-SKELLY	32.49111	-103.18684
30-025-35878	HAWK 'B-1' #22	8	21S	37E	PENROSE-SKELLY	32.49155	-103.18269
30-025-35877	HAWK 'B-1' #21	8	21S	37E	PENROSE-SKELLY	32.49155	-103.17901
30-025-35795	HAWK 'B-1' #18	8	21S	37E	PENROSE-SKELLY	32.4882	-103.17893

WINN190161

RELEASE AND WAIVER AGREEMENT

This Release and Waiver Agreement (this "Agreement") is entered into as of this 18 day of December, 2017 (the "Effective Date"), by and between SouthWest Bank, Odessa, Trustee of the Millard Deck Testamentary Trust under the Last Will and Testament of Millard Deck, dated August 28, 1975, whose address is 4800 East 42nd, Odessa, TX 79762 (hereinafter referred to as "Surface Owner"), and ZPZ Delaware I LLC, a Delaware limited liability company, with an office at 303 Veterans Airpark Lane, Suite 1000, Midland, Texas 79705 ("Operator"). Surface Owner and Operator may be referred to herein individually as a "Party" or collectively as the "Parties."

WHEREAS, Surface Owner is the owner and holder of the surface estate in and to certain lands located in Lea County, New Mexico described on the attached Exhibit "A" (hereinafter referred to as the "Lands"); and

WHEREAS, Operator is the owner and holder of certain oil and gas leases and/or other mineral rights underlying the Lands (hereinafter referred to as the "Operator Leasehold"); and

WHEREAS, Operator has conducted operations and activities upon the Lands pursuant to Operator's Applications for Permit to Drill (hereinafter referred to as the "APD's") which had been approved by the United States America Bureau of Land Management and pursuant to which Operator is obligated to perform interim reclamation on all disturbed areas not reasonably necessary for active support of production operations; and

WHEREAS, Surface Owner and Operator are both satisfied that Operator's operations and activities have been conducted in such a manner that there are no disturbed areas on the Lands which are not needed for active support of Operator's production operations, and that accordingly, there are no portion or portions of the Lands on which it is necessary for Operator to perform such interim reclamation; and

WHEREAS, in accordance with the foregoing, the Parties desire to enter into this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Parties do hereby agree as follows:

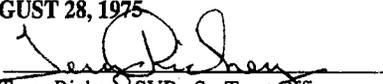
1. All operations and activities performed by Operator upon the Lands pursuant to APD's which have been approved by the United States Bureau of Land Management have been performed by Operator in such manner that (i) all disturbed areas will be reasonably necessary for active support of Operator's production operations, and (ii) there is no portion or portions of the Lands on which interim reclamation needs to be performed by Operator.
2. With respect to any obligation of Operator to conduct interim reclamation of disturbed areas within the Lands pursuant to any APD's which have been approved by the United States Bureau of Land Management, as of the Effective Date of this Agreement, the Surface Owner does hereby release, relinquish, waive, and forever discharge Operator, its subsidiaries, affiliates, and all other related entities, from all claims, liabilities, demands, or causes of action of any kind.

This Agreement shall be binding upon and inure to the benefit of the heirs, successors, assigns, and legal representatives of each of the Parties.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

**SOUTHWEST BANK, TRUSTEE OF
THE MILLARD DECK TESTAMENTARY
TRUST UNDER THE LAST WILL AND
TESTAMENT OF MILLARD DECK, DATED
AUGUST 28, 1975**

By: 
Terry Richey, SVP - Sr. Trust Officer
As Trustee of the Millard Deck Testamentary
Trust under the Last Will and Testament of
Millard Deck, dated August 28, 1975

ZPZ Delaware I LLC

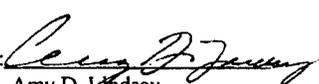
By: 
Amy D. Lindsey
Attorney-in-Fact 

EXHIBIT "A"

Township 20 South – Range 37 East; NMPM; Lea County; NM

Section 21: W/2 (except for 11.21 acres conveyed to the New Mexico State Highway Department more specifically defined under that certain Warranty Deed, dated June 25, 1987 Recorded Book 436, Page 425.)

Section 25: N/2 N/2; SE/4 NE/4; NE/4 SE/4; SE/4 NW/4; NE/4 SW/4

Section 27: NE/4 SW/4

Section 28: NE/4 SE/4

Section 35: W/2 NW/4

Township 21 South – Range 36 East; NMPM; Lea County; NM

Section 03: S/2

(except for 22.69 acres conveyed to the New Mexico State Highway Department more specifically defined under that certain Warranty Deed, dated June 25;1987 at Book 436; Page 425.)

Section 04: E/2 SW/4; SE/4; Lot(s) 1 thru 3; 6 thru 11; 14 thru 16

(except for 22.69 acres conveyed to the New Mexico State Highway Department more specifically defined under that certain Warranty Deed, dated June 25;1987, recorded Book 436, Page 425.)

Section 09: NE/4 NW/4; S/2 SW/4; W/2 E/2; N/2 SE/4 NW/4; SW/4 SE/4 NEW/4; E/2 SE/4; 50.17 acres located in NE/4 (described as beginning 730' feet west from the NE corner thence south 1,780' feet, thence east 730' feet, thence south 860' feet, thence west 1,320' feet, thence north 2,640' feet, thence east 590' feet to the point of beginning; less 2.42 acres assigned to the New Mexico State Highway Department.)

Section 10: E/2; SW/4; E/2 NW/4

Township 21 South – Range 37 East; NMPM; Lea County; NM

Section 04: SW/4 SE/4; S/2 SW/4;
E/2 SE/4

Section 21: NW/4; W/2 NE/4

Section 05: SE/4

Section 22: SW/4; E/2 NW/4; SE/4 west of
rail road.

Section 08: E/2 SW/4; E/2

Section 09: ALL

Section 15: SW/4 (789.55 acres) (less a tract, beginning in the W/4 corner Sec 15, TH N89D14' 36"E 2651. 81', S0D40' 28"E 1321. 50', S89D16' 32" W 2652.61 ', 11N0D38' 19"W1320. 01' to the point of beginning.)