

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 28 2011

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 an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
LC 065525

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Injector

2. Name of Operator
Apache Corporation

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

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

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

8. Well Name and No.
East Blinbry Drinkard Unit (EBDU) #003

9. API Well No.
30-025-06325

10. Field and Pool or Exploratory Area
Blinbry Oil & Gas (Oil) (6660)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2970' FSL & 330' FWL UL M Sec 1 T21S R37E

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 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 checked="" 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 UIC Violation/RTI |
| | <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.)

This well received an UIC violation for a failed pressure test. RU on 2/24/2011 to determine the cause of the failure and solution to correct. Pressure tested the injection string and found it to be in good working condition. Pulled the entire injection assembly and ran a bit and casing scraper to 5830'. Set RBP @ 5830' and packer @ 5824'. Pressure tested casing behind packer to 500 psig for 30 minutes; held O.K. A review of well records from the NMOCD web site shows that this well has three strings of casing. Surface csg (10-3/4") is set @ 214' and cement circulated to surface. Intermediate csg (7-5/8") is set @ 3141' with a DV tool @ 1500'. Cement was pumped on both stages, but no temp survey was reported. Production csg (5-1/2") is set @ 5880' and cemented. This was done in 1954.

The wellhead was dug out to determine where the only existing bradenhead valve was installed. It was for the 5-1/2" & 7-5/8" csg. An additional bradenhead valve was installed for the 7-5/8" & 10-3/4" csg and brought back to surface. The csg was pressure tested again and no pressure or flow was observed out of either bradenhead valve. At this time, we would like to return this well to injection, pending approval of this work concerning the UIC violation and completion of another MIT.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

MAR 24 2011
/s/ JD Whitlock Jr

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

Reesa Holland

Title Sr. Engr Tech

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Signature

Reesa Holland

Date 03/07/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

Conditions of Approval

Apache Corporation East Blinbry Drinkard Unit (EBDU) #3

March 24, 2011

1. Conduct a Mechanical Integrity Test of the tubing/casing annulus any time the packer or tubing is pulled.
 - a. The test pressure should be 500 psig or at least 200 psig above the tubing (at test time) pressure but no more than 70% of burst of casing test pressure as described by Onshore Order 2.III.B.1.h. (The reservoir pressure may need to be reduced). Trap that pressure and record it on a chart for 30 minutes.
 - b. Less than a 10% leakoff may not restrict injection approval. Any leak-off will be evaluated. Document the MIT on a calibrated recorder chart within 25 to 85 per cent of its full range. Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822.
 - c. Submit the recorded MIT chart with a subsequent Sundry Form 3160-5 relating the MIT activity. **Include the original and three copies of the recorded chart and Sundry.** (the original will be returned to the operator)
2. Submit documentation, (NMOCD permit number) of the maximum tubing injection pressure allowed by NMOCD.
 - a. Approved injection pressure compliance is required.
 - b. Display real time tubing pressure values onsite. A bourdon tube gauge registering 25% to 85% of its full range is acceptable.
 - c. If injection pressure exceeds the maximum approved pressure you will be required to notify the BLM within 24 hours.
 - d. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
 - i. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment.
 - e. Other unexplained significant variations of rate or pressure will be reported within 5 days of notice.