

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BLM OIL CONSERVATION DIVISION
1015 FIRST STREET
ARTESIA, NM 88210FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS**
*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 reverse side.**

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other		5. Lease Serial No. NMNM90864
2. Name of Operator YATES PETROLEUM CORPORATION-Mail: michelle@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH 4TH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4205	7. If Unit or CA/Agreement, Name and/or No. NMNM109689
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T10S R26E SENW 1980FNL 1980FWL		8. Well Name and No. KIRBY BCK FEDERAL COM 1
		9. API Well No. 30-005-63573-00-S1
		10. Field and Pool, or Exploratory FOOR RANCH-PRE-PERMIAN
		11. County or Parish, and State CHAVES COUNTY, NM

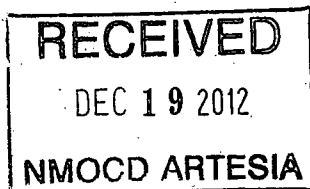
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Onshore Order Variance
	☐ Convert to Injection	☐ Plug Back	☐ 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates respectfully requests a variance to utilize a low profile fiberglass stock tank.

With an average oil sale of one load per year, it would be uneconomic and unnecessary to cause additional surface disturbance to replace the tank at this time. Attached is the strapping furnished to Yates and oil sample information including flash point.



DENIED! The BLM Can Not Approve The Use Of Fiberglass Tanks For Oil Or Condensate With A Flash Point Below 200°F Due To OSHA Standards (Please See Attached).

NOV 19 2012
TCS 12/19/2012

14. Thereby certify that the foregoing is true and correct.	
Electronic Submission #163493 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Roswell Committed to AFMSS for processing by BEVERLY WEATHERFORD on 12/13/2012 (13BMW0875SE)	
Name (Printed/Typed) MICHELLE TAYLOR	Title REGULATORY REPORTING MANAGER
Signature (Electronic Submission)	Date 12/13/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DENIED	DAVID R GLASS Title PETROLEUM ENGINEER	Date 12/17/2012
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 Roswell

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.

MITCHELL ANALYTICAL LABORATORY

2638 Faudree Road
Odessa, Texas 79765
561-5579

Catalyst Oilfield Services
Vern Disney
P.O. Box 8485
Midland, Texas 79708

December 12, 2012

Sample: 2 oil samples for Flash Point, Gravity & Sulfur content,
dated 12-7-12, Lab No. 12-DEC-W34824

Kirby BCK Fed Com #2 Kirby BCK Fed Com #1

API Gravity @ 60°F	56.0	57.0
Wt% Sulfur	0.0465	0.1187
Flash Point °F	<10	<10

Analyst
George Roberts

CATALYST OILFIELD SERVICES

98970

98970**BARRELS OF 42 GALLONS****BROCK & ASSOC.**

Tank Table Service

Box 2283 Broken Arrow, Ok. 74013

Date 12/06/2012

Strapped By
REMUDA

Owner YATES PETROLEUM

Farm KIRBY BCK FED COM #1 41040

1/4 Sec. Dist.

Section

County CHAVES

State NEW MEXICO

Pt.	In.	Qts.	Factor
0	0	0	0.00000
1	11	0	0.70518
6	5	0	0.70079

Total 216.24720

0 Ft.			1 Ft.			2 Ft.			3 Ft.			4 Ft.			5 Ft.			6 Ft.			7 Ft.			8 Ft.			9 Ft.			10 Ft.			11 Ft.			12 Ft.			13 Ft.			14 Ft.			
0"	0.00		0"	33.85		0"	67.68		0"	101.32		0"	134.96		0"	168.59		0"	202.23		0"			0"			0"			0"			0"			0"			0"			0"			
1/4	0.71	1/4	34.55	1/4	68.38	1/4	102.02	1/4	135.66	1/4	169.29	1/4	202.93	1/4	236.56	1/4	270.19	1/4	303.83	1/4	337.46	1/4	371.09	1/4	404.72	1/4	438.35	1/4	471.98	1/4	505.61	1/4	539.24	1/4	572.87	1/4	606.50	1/4	640.13	1/4	673.76	1/4	707.39	1/4	741.02
1/2	1.41	1/2	35.26	1/2	69.08	1/2	102.72	1/2	136.36	1/2	170.00	1/2	203.63	1/2	237.26	1/2	270.90	1/2	304.53	1/2	338.16	1/2	371.79	1/2	405.42	1/2	439.05	1/2	472.68	1/2	506.31	1/2	539.94	1/2	573.57	1/2	607.20	1/2	640.83	1/2	674.46	1/2	708.09	1/2	741.72
3/4	2.12	3/4	35.96	3/4	69.78	3/4	103.42	3/4	137.06	3/4	170.70	3/4	204.33	3/4	237.96	3/4	271.60	3/4	305.23	3/4	338.86	3/4	372.49	3/4	406.12	3/4	439.75	3/4	473.38	3/4	507.01	3/4	540.64	3/4	574.27	3/4	607.90	3/4	641.53	3/4	675.16	3/4	708.79	3/4	742.42
1"	2.82	1"	36.67	1"	70.48	1"	104.12	1"	137.76	1"	171.40	1"	205.03	1"	238.66	1"	272.30	1"	305.93	1"	339.56	1"	373.19	1"	406.82	1"	440.45	1"	474.08	1"	507.71	1"	541.34	1"	574.97	1"	608.60	1"	642.23	1"	675.86	1"	709.49	1"	743.12
1/4	3.53	1/4	37.37	1/4	71.18	1/4	104.82	1/4	138.46	1/4	172.10	1/4	205.74	1/4	239.37	1/4	273.01	1/4	306.64	1/4	340.27	1/4	373.90	1/4	407.53	1/4	441.16	1/4	474.79	1/4	508.42	1/4	542.05	1/4	575.68	1/4	609.31	1/4	642.94	1/4	676.57	1/4	710.20	1/4	743.83
1/2	4.23	1/2	38.08	1/2	71.88	1/2	105.52	1/2	139.16	1/2	172.80	1/2	206.44	1/2	240.07	1/2	273.71	1/2	307.34	1/2	340.97	1/2	374.60	1/2	408.23	1/2	441.86	1/2	475.49	1/2	509.12	1/2	542.75	1/2	576.38	1/2	610.01	1/2	643.64	1/2	677.27	1/2	710.90	1/2	744.53
3/4	4.94	3/4	38.78	3/4	72.59	3/4	106.22	3/4	139.86	3/4	173.50	3/4	207.14	3/4	240.77	3/4	274.41	3/4	308.04	3/4	341.67	3/4	375.30	3/4	408.93	3/4	442.56	3/4	476.19	3/4	509.82	3/4	543.45	3/4	577.08	3/4	610.71	3/4	644.34	3/4	677.97	3/4	711.60	3/4	745.23
2"	5.64	2"	39.49	2"	73.29	2"	106.92	2"	140.56	2"	174.20	2"	207.84	2"	241.47	2"	275.11	2"	308.74	2"	342.37	2"	376.00	2"	409.63	2"	443.26	2"	476.89	2"	510.52	2"	544.15	2"	577.78	2"	611.41	2"	645.04	2"	678.67	2"	712.30	2"	745.93
1/4	6.35	1/4	40.20	1/4	73.99	1/4	107.62	1/4	141.26	1/4	174.90	1/4	208.54	1/4	242.17	1/4	275.81	1/4	309.44	1/4	343.07	1/4	376.70	1/4	410.33	1/4	443.96	1/4	477.59	1/4	511.22	1/4	544.85	1/4	578.48	1/4	612.11	1/4	645.74	1/4	679.37	1/4	713.00	1/4	746.63
1/2	7.05	1/2	40.90	1/2	74.69	1/2	108.33	1/2	141.96	1/2	175.60	1/2	209.24	1/2	242.87	1/2	276.51	1/2	310.14	1/2	343.77	1/2	377.40	1/2	411.03	1/2	444.66	1/2	478.29	1/2	511.92	1/2	545.55	1/2	579.18	1/2	612.81	1/2	646.44	1/2	680.07	1/2	713.70	1/2	747.33
3/4	7.76	3/4	41.61	3/4	75.39	3/4	109.03	3/4	142.66	3/4	176.30	3/4	209.94	3/4	243.57	3/4	277.21	3/4	310.84	3/4	344.47	3/4	378.10	3/4	411.73	3/4	445.36	3/4	478.99	3/4	512.62	3/4	546.25	3/4	579.88	3/4	613.51	3/4	647.14	3/4	680.77	3/4	714.40	3/4	748.03
3"	8.46	3"	42.31	3"	76.09	3"	109.73	3"	143.37	3"	177.00	3"	210.64	3"	244.27	3"	277.91	3"	311.54	3"	345.17	3"	378.80	3"	412.43	3"	446.06	3"	479.69	3"	513.32	3"	546.95	3"	580.58	3"	614.21	3"	647.84	3"	681.47	3"	715.10	3"	748.73
1/4	9.17	1/4	43.02	1/4	76.79	1/4	110.43	1/4	144.07	1/4	177.70	1/4	211.34	1/4	244.97	1/4	278.61	1/4	312.24	1/4	345.87	1/4	379.50	1/4	413.13	1/4	446.76	1/4	480.39	1/4	514.02	1/4	547.65	1/4	581.28	1/4	614.91	1/4	648.54	1/4	682.17	1/4	715.80	1/4	749.43
1/2	9.87	1/2	43.72	1/2	77.49	1/2	111.13	1/2	144.77	1/2	178.40	1/2	212.04	1/2	245.67	1/2	279.31	1/2	312.94	1/2	346.57	1/2	380.20	1/2	413.83	1/2	447.46	1/2	481.09	1/2	514.72	1/2	548.35	1/2	581.98	1/2	615.61	1/2	649.24	1/2	682.87	1/2	716.50	1/2	750.13
3/4	10.58	3/4	44.43	3/4	78.19	3/4	111.83	3/4	145.47	3/4	179.11	3/4	212.74	3/4	246.37	3/4	280.01	3/4	313.64	3/4	347.27	3/4	380.90	3/4	414.53	3/4	448.16	3/4	481.79	3/4	515.42	3/4	549.05	3/4	582.68	3/4	616.31	3/4	650.04	3/4	683.67	3/4	717.30	3/4	750.93
4"	11.28	4"	45.13	4"	78.89	4"	112.53	4"	146.17	4"	179.81	4"	213.44	4"	247.07	4"	280.71	4"	314.34	4"	347.97	4"	381.60	4"	415.23	4"	448.86	4"	482.49	4"	516.12	4"	549.75	4"	583.38	4"	617.01	4"	650.64	4"	684.27	4"	717.90	4"	751.53
1/4	11.99	1/4	45.84	1/4	79.59	1/4	113.23	1/4	146.87	1/4	180.51	1/4	214.14	1/4	247.77	1/4	281.41	1/4	315.04	1/4	348.67	1/4	382.30	1/4	415.93	1/4	449.56	1/4	483.19	1/4	516.82	1/4	550.45	1/4	584.08	1/4	617.71	1/4	651.34	1/4	684.97	1/4	718.60	1/4	752.23
1/2	12.69	1/2	46.54	1/2	80.29	1/2	113.93	1/2	147.57	1/2	181.21	1/2	214.85	1/2	248.48	1/2	282.12	1/2	315.75	1/2	349.38	1/2	383.01	1/2	416.64	1/2	450.27	1/2	483.90	1/2	517.53	1/2	551.16	1/2	584.79	1/2	618.42	1/2	652.05	1/2	685.68	1/2	719.31	1/2	752.94
3/4	13.40	3/4	47.25	3/4	80.99	3/4	114.63	3/4	148.27	3/4	181.91	3/4	215.55	3/4	249.18	3/4	282.82	3/4	316.45	3/4	350.08	3/4	383.71	3/4	417.34	3/4	450.97	3/4	484.60	3/4	518.23	3/4	551.86	3/4	585.49	3/4	619.12	3/4	652.75	3/4	686.38	3/4	720.01	3/4	753.64
5"	14.10	5"	47.95	5"	81.70	5"	115.33	5"	148.97	5"	182.61	5"	216.25	5"	250.00	5"	283.64	5"	317.28	5"	350.91	5"	384.55	5"	418.18	5"	451.82	5"	485.45	5"	519.09	5"	552.72	5"	586.36	5"	619.99	5"	653.62	5"	687.26	5"	720.89	5"	754.52
1/4	14.81	1/4	48.66	1/4	82.40	1/4	116.03	1/4	149.67	1/4	183.31	1/4	216.95	1/4	250.58	1/4	284.22	1/4	317.85	1/4	351.48	1/4	385.12	1/4	418.75	1/4	452.38	1/4	486.02	1/4	519.65	1/4	553.28	1/4	586.91	1/4	620.55	1/4	654.18	1/4	687.81	1/4	721.44	1/4	755.07
1/2	15.51	1/2	49.36	1/2	83.10	1/2	116.74	1/2	150.37	1/2	184.01	1/2	217.65	1/2	251.28	1/2	284.92	1/2	318.55	1/2	352.18	1/2	385.81	1/2	419.44	1/2	453.07	1/2	486.70	1/2	520.33	1/2	553.96	1/2	587.59	1/2	621.22	1/2	654.85	1/2	688.48	1/2	722.11	1/2	755.74
3/4	16.22	3/4	50.07	3/4	83.80	3/4	117.44	3/4	151.07	3/4	184.71	3/4	218.35	3/4	251.98	3/4	285.62	3/4	319.25	3/4	352.88	3/4	386.51	3/4	420.14	3/4	453.77	3/4	487.40	3/4	521.03	3/4	554.66	3/4	588.29	3/4	621.92	3/4	655.55	3/4	689.18	3/4	722.81	3/4	756.44
6"	16.92	6"	50.77	6"	84.50	6"	118.14	6"	151.77	6"	185.41	6"	219.04	6"	252.68	6"	286.31	6"	319.94	6"	353.57	6"	387.20	6"	420.83	6"	454.46	6"	488.09	6"	521.72	6"	555.35	6"	588.98	6"	622.61	6"	656.24	6"	689.87	6"	723.50	6"	757.13
1/4	17.63	1/4	51.48	1/4	85.20	1/4	118.84	1/4	152.48	1/4	186.11	1/4	219.75	1/4	253.38	1/4	287.01	1/4	320.64	1/4	354.27	1/4	387.90	1/4	421.53	1/4	455.16	1/4	488.79	1/4	522.42	1/4	556.05	1/4	589.68	1/4	623.31	1/4	656.94	1/4	690.57	1/4	724.20	1/4	757.83
1/2	18.33	1/2	52.18	1/2	85.90	1/2	119.54	1/2	153.18	1/2	186.81	1/2	220.44	1/2	254.07	1/2	287.71	1/2	321.34	1/2	354.97	1/2	388.60	1/2	422.23	1/2	455.86	1/2	489.49	1/2	523.12	1/2	556.75	1/2	590.38	1/2	624.01	1/2	657.64	1/2	691				



Collar, Albert <acollar@blm.gov>

fiberglass tanks

1 message

Collar, Albert W <acollar@blm.gov>

Tue, Dec 4, 2012 at 1:12 PM

To: "Mayes, Angel M" <amayes@blm.gov>, "Hoskinson, Robert" <rhoskins@blm.gov>

Found the following OSHA letter.

Class IIIB liquids - Flash Point equal to or greater than 200°F.

If the flash point is less than 200°F, then fiberglass tanks would be prohibited

Class IA - Diethyl Ether, Ethylene Oxide, some light crude oils

Class IB - Motor and Aviation Gasolines, Toluene, Lacquers, Lacquer Thinner

Class IC - Xylene, some paints, some solvent-based cements

Class II - Diesel Fuel, Paint Thinner

Class IIIA - Home Heating Oil

Class IIIB - Cooking Oils, Lubricating Oils, Motor Oil

January 13, 1993

Mr. James L. Jones, III, ARM

Training Manager

Ennis, Lumsden, Boylston & Associates, Inc.

605 Eastowne Drive

Chapel Hill, North Carolina 27514

Dear Mr. Jones:

This is in response to your letter of December 1, concerning whether the use of fiberglass tanks for above and below ground storage of flammable and combustible liquids, from gasoline to asphalt, meets the intention of the Occupational Safety and Health Administration's (OSHA) 29 CFR 1910.106(b)(1), Flammable and Combustible Liquids standard.

Fiberglass storage tanks, as described in your letter, meet the intent of our 1910.106(b)(1) standard **only if their use is restricted to installation underground, or required by the properties of the liquids stored, or used for the aboveground storage of Class IIIB liquids.** Fiberglass is considered to be a combustible material due to the flammability of the polyester resin used as a binder for the glass, and thus its use as a type of tank for aboveground storage of Class I, II and IIIA flammable and combustible liquids would be prohibited under OSHA's 1910.106(b)(1) standard.

As you may be aware, OSHA does not regulate Class IIIB liquids. OSHA traditionally has accepted the use of aboveground fiberglass tanks for the storage of certain combustible liquids, such as crude oil, if the tanks are installed in isolated rural areas and meet the other requirements of the latest National Fire Protection Association (NFPA) 30 (1990) standard. Combustible petroleum products of the same class as crude oil may also be stored in aboveground fiberglass tanks if the tanks are also located in isolated rural areas.

We hope the information provided above will be of assistance to you.

Sincerely,

Roger A. Clark,

Director

Directorate of Compliance Programs

Al Collar

Geologist

575.627.0272

575.420.0645 (cell)