SUNDRY NOTICES AND REPORTS ON WELLS 5. Lease Serial No. 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. SUBMIT IN TRIPLICATE - Other instructions on page 2. 7. If Unit or CA/Agreement, Name and/or No.	SUNDRY NOTICES AN	OF THE INTERIOR	FORM APPROVED OMB No. 1004-0137 Expires July 31, 2010
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the proposal is to deepen directionally or recomplete horizonally, give subsurface locations and measured and true vertical subplets of all perform markers and zones. Attach the Bond work with the performed or provide the Bond No. on file with BLMBAR. Required subsequent reports must be filed white additional or the subplet 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 white addition of the operator has determined that the sub is ready for final inspection. Yates Petroleum Corporation is submitting an application for produced water pursuant to Order #7 and reques your approval. The well at present produces an average of 1-2 bbls per day. The water is stored in a 150 fiber glass tank and pipelined to the Mitchell SWD #2 located at Sec. 23-T17S-R25E, order #R-5602. RECEIVED FEB 2 0 2013 NMOCD <i>A</i> 2/1/t SEE ATTACHED FOR CONDITIONS OF APPROVAL 4 . Ihereby certify that the foregoing is true and correct Name (Printed Typed) 1 1 1 1 1 1 1 1 1 1	Final Abandonment Notice Conv	rert to Injection Plug Back	Water Disposal
I hereby certify that the foregoing is true and correct Name (Printed/Typed) Miriam Morales Title Production Analyst Signature Concision This SPACE FOR FEDERAL OR STATE OFFICE USE This SPACE FOR FEDERAL OR STATE OFFICE USE True Production Analyst This space for federal or state of this notice does not warrant or ornditions of approved, if any are attached. Approval of this notice does not warrant or arrity that the applicant to conduct operations thereon. Ite 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and wilfully to make to any department or agency of the United State ty false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction	Yates Petroleum Corporation is	duces an average of 1-2 bbls per day.	The water is stored in a 150 fiber glass der #R-5602.
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Miriam Morales Title Production Analyst Signature Signature </td <td>tank and pipelined to the Mitchell SWD</td> <td>FEB 2 0 2013 C</td> <td>۱ میں NMOCD 2/21/1 FE ATTACHED FOR</td>	tank and pipelined to the Mitchell SWD	FEB 2 0 2013 C	۱ میں NMOCD 2/21/1 FE ATTACHED FOR
Signature & Linking & Conclus Date 110/13 THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPPROVED pproved by onditions of approved, if any are attached. Approval of this notice does not warrant or errity that the applicant holds legal or equitable title to those rights in the subject lease inch would entitle the applicant to conduct operations thereon. Itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and wilfuilly to make to any department or agency of the United State ny false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction DUDEALL OF LANU MANAGEMENT	tank and pipelined to the Mitchell SWD	FEB 2 0 2013 C	۱ میں NMOCD 2/21/1 FE ATTACHED FOR
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BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 9. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
- 10. Disposal at any other site will require prior approval.
- 11. Subject to like approval by NMOCD.

2/16/2013

CA No.