Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Lease Serial No.

MINIMIN	105211	

	OTICES AND		
Do not use this abandoned well.	torm for propo Use form 316	osais to drill (10-3 (APD) for	or to re-enter an such proposals.

abandoned well. Use form 3160	6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other i	7. If Unit or CA/Agreement, Name and/or No.			
Type of Well		8. Well Name and No. PEQUENO MIKE BLU FEDERAL 1H		
Name of Operator Co YATES PETROLEUM CORPORATIONE-Mail: mm	ntact: MIRIAM MORALES orales@yatespetroleum.com	9. API Well No. 30-015-36390-00-S1		
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4200 Fx: 575-748-4664	10. Field and Pool, or Exploratory COUNTY LINE TANK		
4. Location of Well (Footage, Sec., T., R., M., or Survey Des	eription)	11. County or Parish, and State		
Sec 2 T16S R29E SWSW 200FSL 200FWL		EDDY COUNTY, NM		
12. CHECK APPROPRIATE BOX()	ES) TO INDICATE NATURE OF NOTIC	E. REPORT' OR OTHER DATA		

TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent Subsequent Report Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	☐ Deepen ☐ Fracture Treat ☐ New Construction ☐ Plug and Abandon ☐ Plug Back	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon ☐ Water Disposal	☐ Water Shut-Off ☐ Well Integrity ☑ Other Venting and/or Flari ng

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 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 Petroleum respectfully requests permission to flare.

Under the NTL4A regulations, Yates plans to flare on 12/18/13 for 24hrs due to DCP maintenance.

Pegueno Mike BLU #1H- 30-015-36390 Pequeno Mike BLU #2H- 30-015-37059

MIJOCE

MAR 2:6 2014

NMOCD ARTES

Verbal notification to Jerry Blakley on 12/17/13.

SUBJECT TO LIKE APPROVAL BY STATE

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the	e foregoing is true and correct. Electronic Submission #229778 verifie For YATES PETROLEUM CORP Committed to AFMSS for processing by JEN	DRÁTIC	DN, se	ent to the Carls	bad)	
Name(Printed/Typed)	MIRIAM MORALES	Title	PRC	DDUCTION A	NALYST	· 54	
Signature	(Electronic Submission)	Date	12/1	7/2013	·		
	THIS SPACE FOR FEDERA	AL OR	STA	TE OFFICE	PROVFC)	
Approved By	Whatley	Title			INOVEL		Date
Conditions of approval, if ar certify that the applicant hol	of are attached. Approval of this notice does not warrant or its legal or equitable title to those rights in the subject lease licant to conduct operations thereon.	Office	ð	MAF	1 8 2014		
Title 18 U.S.C. Section 100 States any false, fictitious	1 and Title 43 U.S.C. Section 1212, make it a crime for any pe or fraudulent statements or representations as to any matter w	erson kno	owingly jurisdic	and will fully to	makeno any depart	nentlor agei	cy of the United

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

3/18/2014 Approved subject to Conditions of Approval. JDB

Condition of Approval to Flare Gas

From date of receipt

- 1. Report all volumes on OGOR reports.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JDB