

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM1372 <i>Free</i>
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH 4TH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No. Nm 109703
3b. Phone No. (include area code) Ph: 575-748-4281/		8. Well Name and No. THOMAS AJJ #3
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T19S R25E NWSE 1980FSL 1980FEL		9. API Well No. 30-015-26824
		10. Field and Pool, or Exploratory BOYD; MORROW
		11. County or Parish, and State EDDY COUNTY COUNTY, NM

12. CHECK 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"/> 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 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 checked="" 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 shall 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 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 Corporation is submitting an application for water pursuant to order #7 and requests your approval. The well, at present, produces an average of 0-5 bbls of water per day. The water will be stored in 1-500 bbl tank and will be piplined to the Roy SWD #3 located at Unit P, Sec. 7 T19S-R25E, order #SWD-437.

Also, attached is an updated site security diagram of the facility.

Accepted for record

NMOCD JCS

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 16 2014

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #247730 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by LINDA DENNISTON on 06/03/2014 ()	
Name (Printed/Typed) BRITNYE GURULE	Title REPORTING CLERK
Signature (Electronic Submission)	Date 06/02/2014

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.		

APPROVED	
JUN 9 2014	
JAMES A. AMOS	
SUPERVISOR EPS	

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



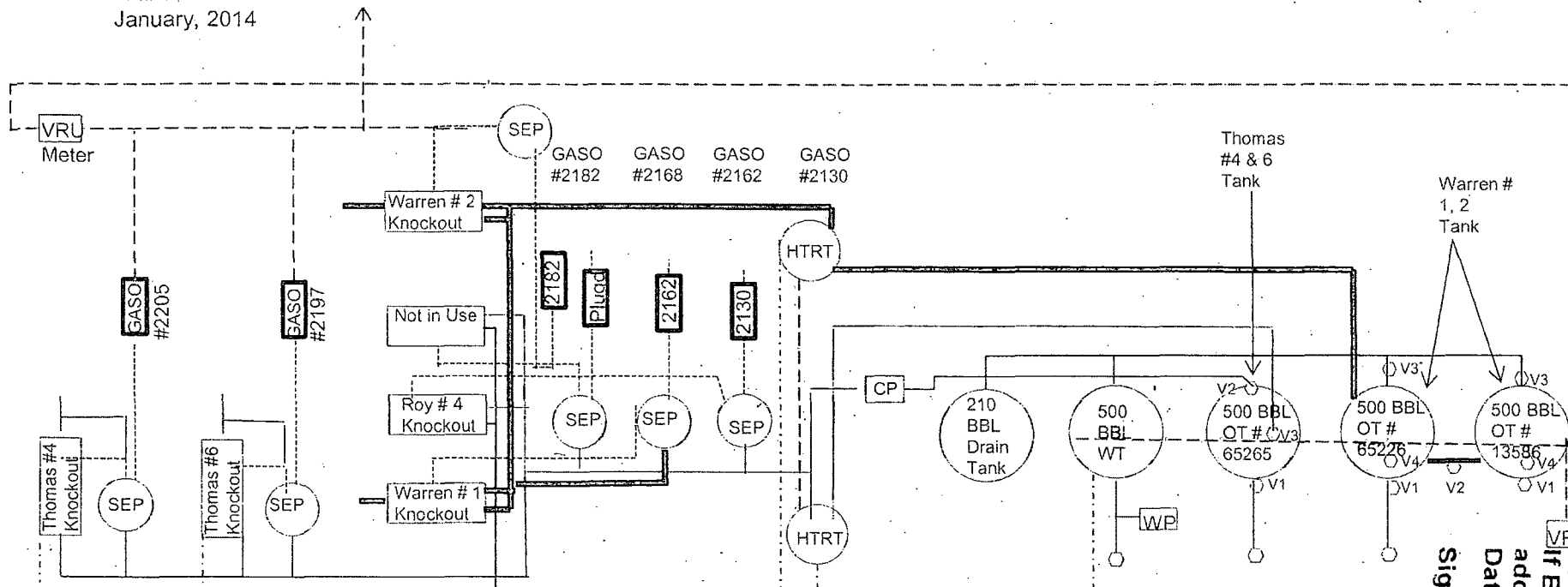
105 South 4th Street * Artesia, NM 88210
(575)-748-1471

-Mike Farmer
January, 2014

THOMAS AJJ #3 BATTERY

1980' FSL & 1980' FEL * Sec8 - T19S R25E * Unit J
Eddy County, New Mexico
API - 3001526824

— Water
— Yeso (Warren 1,2)
— Oil
- - - Gas



Warren#1 and #2

Production System Open

Sales: Tank gauge to tank truck

I. Production phase Tank #65226

- valve # 4 open
- valve # 2 open
- valve # 3 sealed
- valve # 1 sealed closed
- valves on tank #13583 positioned:
 - valve # 4 close
 - valve # 3 sealed closed
 - valve # 1 sealed closed

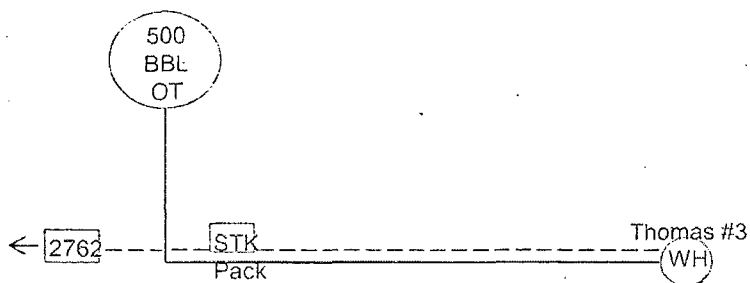
II. Sales phase Tank #65226

- valve # 4 sealed closed
- valve # 2 sealed closed
- valve # 3 sealed closed
- valve # 1 open
- valves on tank # 13586 positioned:
 - valve # 4 open
 - valve # 3 sealed
 - valve # 1 sealed closed

Signature: *Mike Farmer*

Date: 6-9-14

Accepted for Record Purposes.
Approval Subject to Onsite Inspector
If BLM Objectives are not achieved,
additional work may be required.



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan
which is on file at 105 South 4th Street, Artesia, NM

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. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. 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.

6/2/14