

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

5. Lease Serial No.
NM-62602

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

NOBBS OCD

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

JUN 29 2015

2. Name of Operator

LEGACY RESERVES OPERATING LP

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

8. Well Name and No.
HAMON FEDERAL COM #1

9. API Well No.
30-025-30848

3a. Address

PO BOX 10848
MIDLAND, TX 79702

3b. Phone No. (include area code)
432-689-5200

10. Field and Pool or Exploratory Area
QUAIL RIDGE (ATOKA)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 FNL & 1980 FEL, UNIT LETTER B, SEC. 7, T20S, R34E

11. County or Parish, State
LEA CO., NM

12. CHECK THE 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 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 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 recompleate 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 recompleation 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.)

NOTICE OF INCIDENTS OF NONCOMPLIANCE #15JLS08

FORMATION: Bone Spring East

WATER PRODUCED: 2000 bbls

STORED: 2-500 bbl Fiberglass Tanks

MOVED: Trucked

DISPOSAL: Piper Energy LLC

a) NAME: State E Tract 27 #2

b) LOCATION: 330 FSL & 880 FWL, Unit Letter M, Sec. 18-T21S-R37E

c) PERMIT#: Injection permit SWD# 1263

CONTACT PERSON: BRIAN CUNNINGHAM-FOREMAN: 432-234-9450

SERGIO IGLESIAS-WELL TECH: 432-215-7567

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Laura Pina

Title Regulatory Tech

Signature

Date 02/06/2015

APPROVED

JUN 23 2015

JAMES A. AMOS
SUPERVISOR-EPS

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)

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WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.

Bone Spring East

2. Amount of water produced from each formation in barrels per day.

2000 Barrels

3. How water is stored on the lease.

Two 500 Barrel Fiberglass Tanks

4. How water is moved to disposal facility.

Trucked out

5. Operator's of disposal facility Piper Energy LLC

- a. Lease name or well name and number State & Tract 27 # 2

- b. Location by $\frac{1}{4}$ $\frac{1}{4}$ Section, Township, and Range of the disposal system _____

330 ESE 8X0 FWL unit in Sec 18 T21S R37E

- c. The appropriate NMOCD permit number Injection Permit SUND 1263 ✓

Submit on Federal Sundry 3160 to Carlsbad Field Office 620 E Greene Street Carlsbad NM88210.

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.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14