Fgym.3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED Rudget Rureau No. 1004-0137

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Expires:	October	31,	20	l
.ease Serial N	Vo.			

NMNM13430

SHNDBY 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. 6. If Indian, Allottee or Tribe Name

***************************************		Jon State Francisco			
SUBMIT IN TRIPLICATE – Other instructions on page 2.		7. If Unit or CA, Agreement, Name and/or No.			
1. Type of Well					
X Oil Gas		8. Well Name and No. LEA 21 #8			
2. Name of Operator					
FULFER OIL & CATTLE LLC				9. API Well No.	
		30-025-27043			
3a. Address		3b. Phone No. (include ar	rea code)		
P.O. BOX 1224, JAL, NM 88252 575-395-9970			10. Field and Pool, or Exploratory Area		
1.0. BON 1221, 371E, 1111 00	- 52	310 370 7770		COMANCHE STATELINE; TAN-Y-7R-GB	
4. Location of Well (Footage, Sec.	T.,R,M., or Survey Description)	<u> </u>		, , , , , , , , , , , , , , , , , , , ,	
UL P, SEC. 21, T-26S, R36E, 6		/		11. County or Parish, State	
021,020.01,120,000.0	. /	/		LEA COUNTY, NM	
12. CHECK APPROPRI	ATE BOX(es) TO INDIC	CATE NATURE OF	NOTICE	, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE	OF ACTION			
X Notice of Intent	Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Recla Reco	Production (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Shut-Off Well Integrity Other	
Subsequent Report	Convert to Injection	Plug Back	: 	or Disposal	
Final Abandonment Notice					
13. Describe Proposed or Completed Ope	eration: Clearly state all pertinent detail	s, including estimated starting of	late of any propo	osed work and approximate duration thereof. If the proposal is	
work will be performed or provide th	e Bond No. on file with BLM/BIA. Re	quired subsequent reports shall	be filed within 3	rtinent markers and zones. Attach the Bond under which the 30 days following completion of the involved operations.	
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Filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

HOBBS OCD

WATER DISPOSAL METHOD:

Formation Producing Water: Tansil Yates

Water Storage: Water is stored on lease in a tank at the battery

APR 28 2014

Amount of Water Produced: 1 BWPD

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- Water Movement: Water is stored in tank until a full load is accumulated, and then water is trucked from lease by a C133 authorized transporter
- Disposal Facility: Brown #5 SWD well, 30-025-09807, located in UL E Sec. 25, T-25S, R36E, Lea County, NM.

NMOCD Permit No. R5196

SUBJECT TO LIKE APPROVAL BY STATE

SEE ATTACHED FOR **CONDITIONS OF APPROVAL**

14. Thereby certify that the foregoing is true and correct Name (<i>Printed Typed</i>) DEBBIE MCKELVEY	Title AGENT 575-392-3575	
Signature Dellie MKely	Date 6/13/13	
THIS SPACE FOR FEDERA	L OR STATE OFFICE USEAPPROVED	rys,
Approved by /s/ Jerry Blakley	Title Date 2014	or annual of
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that tholds legal or equitable title to those rights in the subject lease which would entitle the applicant to continuous		
operations thereon.	Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for an Fictitious or fraudulent statements or representations as to any matter within its jurisdi-	person knowingly and willfully to make to any department of agency for the United States and fals	. /

(Instruction on page 2)

MUB/OCD 4/29/2014

APR 3 0 2014

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

4/21/2014 Approved subject to conditions of approval JDB:

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.
- 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.

JDB2014