| SUNDRY SUNDRY Po was use thi | UNITED STATES PARTMENT OF THE IN UREAU OF LAND MANAGE NOTICES AND REPOR IS form for proposals to a II. Use form 3160-3 (API | TERIOR GEMENT RTS ON WELL drill or to re-ent o) for such prop | er an osals. | -HOBB | | APPROVED D. 1004-0135 July 31, 2010 r Tribe Name |
|--|--|---|---|--|--|---|
| RECEBBLENTRI | PLICATE - Other instruc | tions on reverse | side. | | 7. If Unit or CA/Agree | ement, Name and/or No. |
| Type of Well Oil Well | | | A Property of the Park of the | | 8. Well Name and No. CLOSSON B 14 | , |
| 2. Name of Operator BREITBURN OPERATING LF | Contact: | JEANIE MCMILL illan@breitburn.com | | | 9. API Well No. 30-025-08959-0 | 0-S1 |
| 3a. Address 1401 MCKINNEY ST SUITE 1 HOUSTON, TX 77010 | 400 | 3b. Phone No. (inc Ph: 713-634-46 Fx: 713-634-46 | 696 | | 10. Field and Pool, or JALMAT-TAN-Y | Exploratory ATES-7RVRS |
| 4. Location of Well (Footage, Sec., T Sec 19 T22S R36E NWNW 66 | / | | 11. County or Parish, and LEA COUNTY, NM | | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO | INDICATE NA | TURE OF N | NOTICE, RE | PORT, OR OTHE | R DATA |
| TYPE OF SUBMISSION | | - | TYPE OF | ACTION | | |
| □ Notice of Intent □ Subsequent Report □ Final Abandonment Notice 13. Describe Proposed or Completed Op. If the proposal is to deepen directions. Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for f. Conditions of Approval Operal lease. Breitburn Operating LF approval. Attached hereto is a facility Di Attached is a water analysis at Accepted for Record Purpo Approval Subject to Onsite Date: | ally or recomplete horizontally, rk will be performed or provide to operations. If the operation responded in the performed of provide to operations and on the file in the interest of the file in the interest of the intere | give subsurface locate the Bond No. on file bults in a multiple considered only after all requives submit some a following regarding der #3 on and Disposal in SEE AT | Abandon kk stimated starting ions and measu with BLM/BIA npletion or reco rements, includ- additional info | Reclama Recomp Tempora Water D g date of any proper and true verence and true verence and true verence are considered and true verence are considered and true verence are considered and true verence and true verence are considered and true verence are c | lete arily Abandon isposal oposed work and approxitical depths of all pertin sequent reports shall be ew interval, a Form 316 , have been completed, a each APF | ent markers and zones. filed within 30 days 0-4 shall be filed once |
| | Electronic Submission #3 For BREITBL nmitted to AFMSS for proce ICMILLAN | IRN OPERATING | LP, sent to the LA PEREZ or the REGUL | ne Hobbs n 09/07/2016 (ATORY MAI | (16PP1054SE) | |
| | THIS SPACE FO | R FEDERAL C | | | BE | |
| Approved By Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the applicant to conduct the applicant to conduct the applicant to condu | uitable title to those rights in the | subject lease | tle | | | Date |

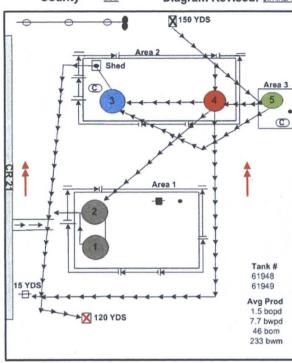
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Closson B1 Battery

Elevation: 3502' Artesia Current Status Active Field Location: 22S 36E Sec. 19

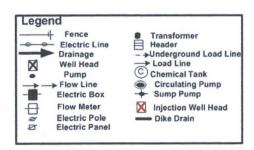
Lease Closson B1 State: **New Mexico** Coordinates: N32.37727 W103.31196

County Diagram Revised: Jimika Reed-Terry (09-07-10) Lea



History

Remarks



Tank Information

Type = Welded Diameter = 12 ft Height = 15 ft

Capacity=302 bbls Total Diked Area= Capacity 305 bbls Direction of Flow= N Foundation = Earth

Material = Steel Top=Closed Transportation = TR Type of Failure = Rupture, Leak, Overflow

Secondary Containment = Earth & Gravel Min. Recommend Berm Height = 16 in.
vest point of berm at time of inspection = 15 in

Tank Information

Salt Water

Diameter = 15.5 ft Type = Molded Material = Fiber Glass Height = 16 ft Capacity=538 bbls Top=Closed Total Diked Area= Transportation = INJ Capacity 580 bbls Type of Failure = Direction of Flow= N Rupture, Leak, Overflow Foundation = Earth Secondary Containment = Earth & Gravel

Min. Recommend Berm Height = 24 in. owest point of berm at time of inspection = 15 in

Heater Treater Information Heater Treater

Diameter = 6 ft Height = 20 ft Capacity=101 bbls Foundation = Cement

Type = Welded Material = Steel Top=Closed Transportation = Type of Failure =

Total Diked Area= Capacity 580 bbls Direction of Flow= N

Rupture, Leak

Berm Construction = Earth & Gravel Min. Recommend Berm Height = 24 in. owest point of berm at time of inspection = 15

Seperator Information

Separator Type = Welded

Diameter = 2.5 ft Height = 10 ft Capacity=9 bbls Foundation = Cement

Material = Steel Top=Closed Transportation =

Total Diked Area= Capacity 51 bbls Direction of Flow= N Type of Failure = Rupture, Leak

Berm Construction = Earth & Gravel Min. Recommend Berm Height = 24 in.

Wells Connected to Closson B1 Battery

vest point of berm at time of inspection = 14

#8, #14, #15, #16, #17, #40

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed.

| 1. | Name(s) of formation(s) producing water on the leaseJALMAT YATES, SEVEN RIVERS |
|----|--|
| 2. | Amount of water produced from all formations in barrels per day50 BWPD |
| 3. | Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice water is commingled). |
| 4. | How water is stored on leaseIN 500 BBL FG STORAGE TANK |
| 5. | How water is moved to the disposal facility. |
| | WATER IS PUMPED VIA HP LINE THROUGH HP INJECTION LINE TO CLOSSON B FED #18 WIW_ |
| 6. | Identify the Disposal Facility by: A. Facility Operators nameBREITBURN OPERATING |
| | B. Name of facility or well name and numberCLOSSON B FEDERAL #018 WIW |
| | C. Type of facility or well (WDW) (WIW) etcWIW |
| | D. Location by ¼ ¼ _SW NW Section19 Township22SRange36E |
| 7. | Attach a copy of the State issued permit for the Disposal Facility. |

if

Submit to this office, **620 EAST GREENE ST, CARLSBAD NM, 88220**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice).



Catalyst Oilfield Services 11999 E Hwy 158 Gardendale, TX 79758 (432) 563-0727 Fax: (432) 224-1038

Water Analysis Report

| Compai | ny: |
|--------|-----|
|--------|-----|

Breitburn Operating

Sample #:

29037

Area:

Permian Basin

Analysis ID #:

34157

Lease:

Closson B

Location:

B1 Battery

0

Sample Point:

Wellhead

| Sampling Date: | 7/9/2015 | Anions | mg/l | meq/l | Cations | mg/l | meq/l |
|---------------------|-----------|-------------------------|---------------|--------|---------------------------------------|---------|----------------|
| Analysis Date: | 7/14/2015 | Chloride: | 35081.4 | 989.52 | Sodium: | 13700.0 | 595.92 |
| Analyst: | Catalyst | Bicarbonate: | 1085.8 | 17.79 | Magnesium: | 5213.0 | 428.84 |
| TDS (mall or alm2): | 61257.7 | Carbonate: | | | Calcium: | 1234.0 | 61.58 |
| TDS (mg/l or g/m3): | 1.042 | Sulfate: | 3800.0 | 79.12 | Strontium: | 32.8 | 0.75 |
| Density (g/cm3): | 1.042 | | | | Barium: | 0.0 | 0. |
| | | | | | Potassium: | 353.3 | 9.04 |
| Hydrogen Sulfide: | 139.4 | | | | Iron: | 0.0 | 0. |
| Carbon Dioxide: | 27 | | | | Manganese: | 0.000 | 0. |
| | | pH at time of sampling: | | 6.66 | | | |
| Comments: | | pH at time of analysis: | | | | | |
| | 8 " | pH used in Calculation | n: | 6.66 | | | |
| | 14. | Temperature @ lab co | nditions (F): | 75 | Conductivity (mid Resistivity (ohm | | 88100 .1135 |

| | | Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl | | | | | | | | | |
|------------|------------------------------|---|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|--|
| Temp °F | Calcite CaCO ₃ | | Gypsum CaSO ₄ *2H ₂ 0 | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | |
| | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | |
| 80 | 0.42 | 64.66 | -0.18 | 0.00 | -0.23 | 0.00 | 0.01 | 0.66 | 0.00 | 0.00 | |
| 100 | 0.54 | 85.11 | -0.21 | 0.00 | -0.19 | 0.00 | 0.02 | 0.66 | 0.00 | 0.00 | |
| 120 | 0.67 | 105.90 | -0.22 | 0.00 | -0.12 | 0.00 | 0.03 | 1.32 | 0.00 | 0.00 | |
| 140 | 0.81 | 127.01 | -0.23 | 0.00 | -0.03 | 0.00 | 0.05 | 2.31 | 0.00 | 0.00 | |
| 160 | 0.94 | 147.80 | -0.22 | 0.00 | 0.07 | 133.28 | 0.08 | 3.63 | 0.00 | 0.00 | |
| 180 | 1.08 | 167.92 | -0.22 | 0.00 | 0.19 | 330.89 | 0.11 | 5.28 | 0.00 | 0.00 | |
| 200 | 1.22 | 186.72 | -0.21 | 0.00 | 0.32 | 515.31 | 0.15 | 6.60 | 0.00 | 0.00 | |
| 220 | 1.35 | 204.21 | -0.19 | 0.00 | 0.46 | 680.26 | 0.18 | 7.92 | 0.00 | 0.00 | |

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