

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

HOBBS OCD

NOV 28 2016

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMLC030133B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SOUTH EUNICE 399. API Well No.
30-025-09079-00-S110. Field and Pool, or Exploratory
EUNICE11. County or Parish, and State
LEA COUNTY, NM1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
BRECK OPERATING CORPORATION
Contact: JEANIE MCMILLAN
-Mail: jeanie.mcmillan@breitburn.com3a. Address
BRECKENRIDGE, TX 76424-09113b. Phone No. (include area code)
Ph: 713-634-4696
Fx: 713-634-46974. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 28 T22S R36E SWNE 1980FNL 1980FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 | |

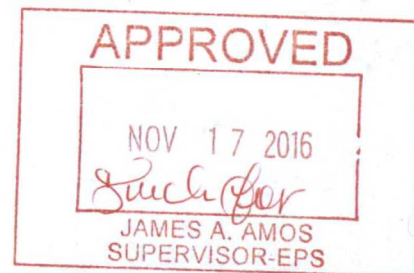
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

Conditions of Approval Operator Change required that we submit some additional information for each lease. Breitburn Operating LP respectfully submits the following regarding these conditions of approval.

Attached hereto is a facility Diagram as per Onshore Order #3
Attached is a water analysis along with Water Production and Disposal information.

Accepted for Record Purposes.

Approval Subject to Onsite Inspection.

Date: 11/28/16
StuckSEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #344126 verified by the BLM Well Information System
For BRECK OPERATING CORPORATION, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 09/07/2016 (16PP1058SE)

Name (Printed/Typed) JEANIE MCMILLAN

Title REGULATORY MANAGER

Signature (Electronic Submission)

Date 07/08/2016

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

MSB/OCD 11/28/2016

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 lease.
_JALMAT YATES, SEVEN RIVERS_____
2. Amount of water produced from all formations in barrels per day.
_50 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 if water is commingled).

4. How water is stored on lease.
_IN 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 name. _BREITBURN OPERATING_____
 - B. Name of facility or well name and number. _CLOSSON B FEDERAL #018 WIW_____
 - C. Type of facility or well (WDW) (WIW) etc. _____WIW_____
 - D. Location by $\frac{1}{4}$ _SW NW_____ Section _19_____ Township _22S_____ Range _36E_____
7. Attach a copy of the State issued permit for the Disposal Facility.

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).

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 lease.
_JALMAT YATES, SEVEN RIVERS_____
2. Amount of water produced from all formations in barrels per day.
____25 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 if water is commingled).

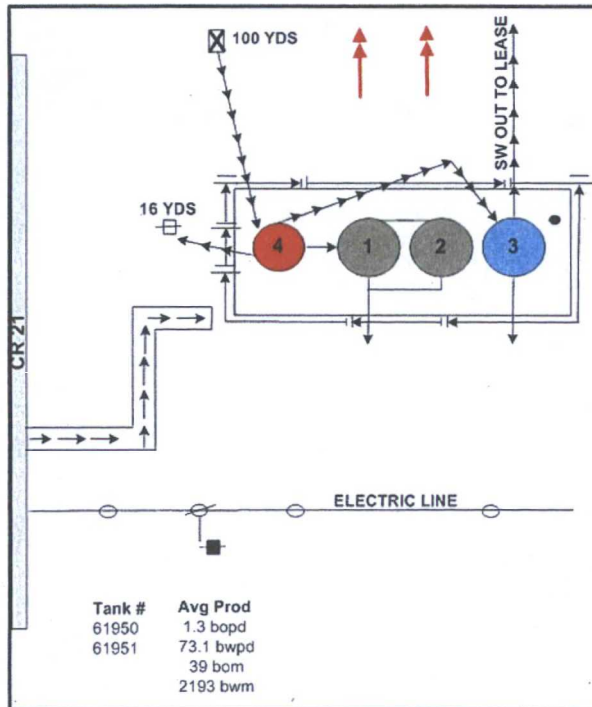
4. How water is stored on lease.
____IN 300 BBL FG STORAGE TANK_____
5. How water is moved to the disposal facility.
WATER IS TRANSFERRED VIA 3" POLY FLOW LINE TO CLOSSON B FED BATTER 1 FOR DISPOSAL _
6. Identify the Disposal Facility by:
 - A. Facility Operators name. _BREITBURN OPERATING_____
 - B. Name of facility or well name and number. _CLOSSON B FEDERAL #018 WIW_____
 - C. Type of facility or well (WDW) (WIW) etc. _____WIW_____
 - D. Location by $\frac{1}{4}$ _NE SW____ Section __30__ Township __22S__ Range__36E__
7. Attach a copy of the State issued permit for the Disposal Facility.

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).

Closson B2 Battery

Field Artesia Current Status Active
 State: New Mexico Lease Closson B2
 County Lea Diagram Revised: Jimika Reed-Terry (09-07-10)

Elevation: 3550'
 Location: 22S 36E Sec.30
 Coordinates: N32.35903
W103.30865



History

Tank Information

1 2 Oil
 Diameter = 10 ft Type = Welded
 Height = 15 ft Material = Steel
 Capacity=210 bbls Top=Closed
 Total Diked Area= Transportation = TR
 Capacity 365 bbls Type of Failure =
 Direction of Flow= N Rupture, Leak, Overflow
 Foundation = Gravel
 Secondary Containment = Earth & Gravel
 Min. Recommend Berm Height = 13 in.
 Lowest point of berm at time of inspection = 12 in.

Tank Information

3 Salt Water
 Diameter = 10 ft Type = Molded
 Height = 15 ft Material = Fiber Glass
 Capacity=210 bbls Top=Closed
 Total Diked Area= Transportation = INJ
 Capacity 365 bbls Type of Failure =
 Direction of Flow= N Rupture, Leak, Overflow
 Foundation = Gravel
 Secondary Containment = Earth & Gravel
 Min. Recommend Berm Height = 13 in.
 Lowest point of berm at time of inspection = 12 in.

Heater Treater Information

4 Heater Treater
 Diameter = 4 ft Type = Welded
 Height = 20 ft Material = Steel
 Capacity=45 bbls Top=Closed
 Foundation = Cement Transportation =
 Total Diked Area= Type of Failure =
 Capacity 365 bbls Rupture, Leak
 Direction of Flow= N
 Berm Construction = Earth & Gravel
 Min. Recommend Berm Height = 13 in.
 Lowest point of berm at time of inspection = 12 in.

Legend

| | | | |
|--|----------------|--|-----------------------|
| | Fence | | Transformer |
| | Electric Line | | Header |
| | Drainage | | Underground Load Line |
| | Well Head | | Load Line |
| | Pump | | Chemical Tank |
| | Flow Line | | Circulating Pump |
| | Electric Box | | Sump Pump |
| | Flow Meter | | Injection Well Head |
| | Electric Pole | | Dike Drain |
| | Electric Panel | | |

Wells Connected to Closson Battery #2

#10, #12, #13, #22, #23, #24, #25, #39



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

Water Analysis Report

| | | | |
|---------------|---------------------|----------------|-------|
| Company: | Breitbart Operating | Sample #: | 29038 |
| Area: | Permian Basin | Analysis ID #: | 34158 |
| Lease: | Closson B | | |
| Location: | B2 Battery | | 0 |
| Sample Point: | Wellhead | | |

| | | Anions | | Cations | |
|---------------------|-----------|-----------------------------------|---------|-------------------------------|---------|
| | | mg/l | meq/l | mg/l | meq/l |
| Sampling Date: | 7/9/2015 | Chloride: | 23971.9 | Sodium: | 10350.0 |
| Analysis Date: | 7/14/2015 | Bicarbonate: | 2169.2 | Magnesium: | 3101.0 |
| Analyst: | Catalyst | Carbonate: | | Calcium: | 440.4 |
| TDS (mg/l or g/m3): | 41738 | Sulfate: | 740.0 | Strontium: | 16.3 |
| Density (g/cm3): | 1.03 | | | Barium: | 0.0 |
| | | | | Potassium: | 302.3 |
| Hydrogen Sulfide: | 504.9 | | | Iron: | 0.0 |
| Carbon Dioxide: | 0 | | | Manganese: | 0.000 |
| Comments: | | pH at time of sampling: | 7.496 | | |
| | | pH at time of analysis: | | | |
| | | pH used in Calculation: | 7.496 | | |
| | | Temperature @ lab conditions (F): | 75 | Conductivity (micro-ohms/cm): | 66300 |
| | | | | Resistivity (ohm meter): | .1508 |

| Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl | | | | | | | | | | |
|---|------------------------------|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|
| Temp | Calcite CaCO ₃ | | Gypsum CaSO ₄ *2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | |
| °F | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount |
| 80 | 1.18 | 172.52 | -1.18 | 0.00 | -1.23 | 0.00 | -0.81 | 0.00 | 0.00 | 0.00 |
| 100 | 1.25 | 193.04 | -1.20 | 0.00 | -1.19 | 0.00 | -0.81 | 0.00 | 0.00 | 0.00 |
| 120 | 1.31 | 214.23 | -1.22 | 0.00 | -1.12 | 0.00 | -0.79 | 0.00 | 0.00 | 0.00 |
| 140 | 1.38 | 235.41 | -1.22 | 0.00 | -1.04 | 0.00 | -0.77 | 0.00 | 0.00 | 0.00 |
| 160 | 1.45 | 256.60 | -1.22 | 0.00 | -0.94 | 0.00 | -0.74 | 0.00 | 0.00 | 0.00 |
| 180 | 1.53 | 277.11 | -1.22 | 0.00 | -0.82 | 0.00 | -0.70 | 0.00 | 0.00 | 0.00 |
| 200 | 1.61 | 295.95 | -1.21 | 0.00 | -0.69 | 0.00 | -0.66 | 0.00 | 0.00 | 0.00 |
| 220 | 1.70 | 312.76 | -1.20 | 0.00 | -0.55 | 0.00 | -0.62 | 0.00 | 0.00 | 0.00 |



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

Water Analysis Report

| | | | |
|---------------|---------------------|----------------|-------|
| Company: | Breitbart Operating | Sample #: | 29037 |
| Area: | Permian Basin | Analysis ID #: | 34157 |
| Lease: | Closson B | | |
| Location: | B1 Battery | | 0 |
| Sample Point: | Wellhead | | |

| | | Anions | | Cations | |
|---------------------|-----------|-----------------------------------|---------|-------------------------------|---------|
| | | mg/l | meq/l | mg/l | meq/l |
| Sampling Date: | 7/9/2015 | Chloride: | 35081.4 | Sodium: | 13700.0 |
| Analysis Date: | 7/14/2015 | Bicarbonate: | 1085.8 | Magnesium: | 5213.0 |
| Analyst: | Catalyst | Carbonate: | | Calcium: | 1234.0 |
| TDS (mg/l or g/m3): | 61257.7 | Sulfate: | 3800.0 | Strontium: | 32.8 |
| Density (g/cm3): | 1.042 | | | Barium: | 0.0 |
| | | | | Potassium: | 353.3 |
| Hydrogen Sulfide: | 139.4 | | | Iron: | 0.0 |
| Carbon Dioxide: | 27 | | | Manganese: | 0.000 |
| Comments: | | pH at time of sampling: | 6.66 | | |
| | | pH at time of analysis: | | | |
| | | pH used in Calculation: | 6.66 | | |
| | | Temperature @ lab conditions (F): | 75 | Conductivity (micro-ohms/cm): | 88100 |
| | | | | Resistivity (ohm meter): | .1135 |

| Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl | | | | | | | | | | |
|---|------------------------------|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|
| Temp | Calcite CaCO ₃ | | Gypsum CaSO ₄ *2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | |
| °F | 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