OCD-ARTESIA

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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F	ORM A	PPRO	OVED
C	MB No	. 1004	-0137
E	xpires: J	ulv 31	. 2010

5. Lease Serial No. NM97126

Water Disposal

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. White City 8 Federal #1 Oil Well ✓ Gas Well Other 9. API Well No. Roa 534 2. Name of Operator Unit Petroleum Company 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area PO Box 702500, Tulsa, OK 74170 918.477.7700 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 8-25S-27E 11. Country or Parish, State Eddy, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon

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 recomplete 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 recompletion 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.)

Plug Back

See attached.

Final Abandonment Notice



SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Accepted for record NMOCD FF 7/21/11 ACCEPTED FOR RECORD

JUN 2 4 2011 /s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

Name (Printed Typed) Nicholas Price Titl	e Production Engineer				
Signature Dat	e 06/20/2011				
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)

WATER PRODUCTION & DISPOSAL INFORMATION

In or	der to process your disposal request, the following information must be completed:
1.	Name of formations producing water on the lease. MORROW.
2.	Amount of water produced from all formations in barrels per day.
3.	How water is stored on lease. FIBER GIASS TANK. 300 BL.
4.	How water is moved to the disposal facility. TRUCKED.
5.	Identify the Disposal Facility by: A. Facility Operators name. BASIC DISPOSAL B. Name of facility or well name and number. Belco Permit # 61548
	C. Type of facility or well (WDW) (WIW) etc. W/W
	D. Location by 14 182 Section 20 Township 235 Range 28 E Unit E 660 FWL
5.	Attach a copy of the New Mexico Energy, Minerals and Natural Resources Department's, Administrative Order 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 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

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. 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.
- 6. 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. Disposal at any other site will require prior approval.
- 10. Subject to like approval by NMOCD.

6/17/2011