

NM OIL CONSERVATION DISTRICT
 OCT 30 2015

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

NMOCD
 Artesia

FORM APPROVED
 OMB NO. 1004-0135
 Expires: July 31, 2010

RECEIVED

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.

5. Lease Serial No.
NMNM57274

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
HARACZ AMO FEDERAL 10H

9. API Well No.
30-015-40963-00-S1

10. Field and Pool, or Exploratory
BONE SPRINGS

11. County or Parish, and State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **YATES PETROLEUM CORPORATION** Contact: **JULIE STEELE**
 Mail: **JSteele@yatespetroleum.com**

3a. Address
**105 SOUTH FOURTH STREET
 ARTESIA, NM 88210**

3b. Phone No. (include area code)
 Ph: **575-748-4208**
 Fx: **575-748-4666**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 24 T24S R31E NENE 200FNL 660FEL

12. CHECK 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 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 checked="" type="checkbox"/> Other Venting and/or Flaring
	<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 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 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 shall 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 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.)

YATES RESPECTFULLY REQUESTS PERMISSION TO FLARE DUE TO ABNORMAL SYSTEM PRESSURE IN THE AGAVE LINES, FOR A PERIOD OF 90 DAYS OR UNTIL NOVEMBER 30TH 2015.

THIS CIRCUMSTANTIAL FLARING COULD RESULT LONGER THAN 24 HOUR PERIOD AND POSSIBLY MORE THAN THE 144 HOURS CUMULATIVE UNDER NTL4A III.A.

WE WILL BE REQUESTING THIS ADDITIONAL FLARING UNTIL DCP PRESSURES CAN BE STABILIZED OR OTHER OPTIONS BECOME AVAILABLE.

FLARE VOLUMES WILL BE REPORTED ON OGOR.

Possible Flare Per day 350 MCF

SEE ATTACHED FOR CONDITIONS OF APPROVAL
 Accepted for record
 NMOCD

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

Electronic Submission #315150 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/14/2015 (16JAS0319SE)

Name (Printed/Typed) **JULIE STEELE** Title **PRODUCTION ANALYST, YATES PETRO**

Signature (Electronic Submission) Date **09/04/2015**

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 **BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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 ****

Additional data for EC transaction #315150 that would not fit on the form

32. Additional remarks, continued

THE POSSIBILITY OF FLARE WILL NOT BE CONSISTENT, THEREFORE, THE ESTIMATED/POSSIBLY FLARE VOLUME WILL VARY PER DAY.

Flaring Conditions of Approval

1. Report all volumes on OGOR B as disposition code 08.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. Flared volumes will still require payment of royalties
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days from date requested on sundry.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JAM 101415