Form 3160-5

## UNITED STATES

FORM APPROVED

(0 2 )	RTMENT OF THE INTERIOR U OF LAND MANAGEMENT	Budget Bureau No 1004-0135 Expires March 31, 1993
SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  Use "APPLICATION FOR PERMIT" for such proposals		5 Lease Designation and Serial No NM-78214 6 If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1 Type of Well		8 Well Name and No
Oil Gas		Anemone ANE Federal #7
Well Other		
2 Name of Operator		9 API Well No.
Yates Petroleum Corporation		30-015-3304 <b>84</b> ~
3 Address and Telephone No		10 Field and Pool, or Exploratory Area
105 South 4 <sup>th</sup> Street, Artesia, NM 88210 (505) 748-1471		Indian Basin/Upper Penn
4 Location of Well (Footage, Sec, T, R, M, or Survey Description		11 County or Parish, State
1310' FSL & 1003' FWL (SWSW) Unit M Sec-9-T22S-R24E At Surface		Eddy County, New Mexico
1885' FSL & 759' FWL (NWSW) Unit	L Sec-9-T22S-R24E At Bottom	
12 CHECK APPROPRIATE BO	OX(s) TO INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
Final Abandonment Notice	Casing Repair	Water Shut-Off
<u> </u>	Altering Casing	Conversion to Injection
	Other	Dispose Water (Note Report results of multiple completion on Well
	<u> </u>	completion or Recompletion Report and Log Form)
	state all pertinent details, and give pertinent dates, including	estimated date of starting any proposed work. If well is directionally

Yates Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 0-200 Bbls of water per day from the Indian Basin / Upper Penn. The water will be stored in 2-1000 Fbgls tank and will be pipeline to the State D #1 location 16-20S-24E SE, SW order # SWD-395, or Archimedes SWD #1 location 18-21S-24E NW, SE order # SWD-852, or Mimosa #1 SWD location 4-20S-24E NE, SE order # SWD-408, or Mimosa AHS Fed SWD #3Y location 4-20S-24E SE, SE order # SWD-645, or Mimosa #4 SWD location 4-20S-24E SE, SW, order # SWD-474. If the

SUBJECT TO LIKE

APPROVAL BY STATE

APPROVAL BY STATE

12/10/09

System is down it will be trucked by the lowest bid company.

SEE ATTACHED FOR CONDITIONS OF APPROVAL ACCEPTED FOR RECORD

NOV 2 7 2009 /s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct Signed	Title Production Secretary	Date November 11, 2009
(This space for Federal or State office use) Approved by Conditions of approval, if any	Title	Date

Title 18 U S C Section 1001, makes 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

## 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.
- 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. If system is down prior to hauling to an alternate disposal site it must be approved.