FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31 1993

•	PARTMENT OF THE INTERIOR EAU OF LAND MANAGEMENT	Budget Bureau No. 1004-0135 Expires: March 31, 1993	
Do not use this form for proposals to dr.	NOTICES AND REPORTS ON WELLS ill or to deepen or reentry to a different reservoir. N FOR PERMIT" for such proposals	5. Lease Designation and Serial No. NW 1 7 8 6 6. If Indian, Allottee or Tribe Name NMNM122450	_
SUBMIT	7. If Unit or CA, Agreement Designation	_	
I. Type of Well Oil Gas Well Well Other	8. Well Name and No. Tippecanoe B7 Fee Com #2H		
2. Name of Operator Yates Petroleum Corporation	9. API Well No. 30-015-36754	_	
3. Address and Telephone No. 105 South 4 th Street, Artesia, NM 88	10. Field and Pool, or Exploratory Area Collins Ranch/Wolfcamp	_	
4. Location of Well (Footage, Sec., T., R., M., or St 760' FSL & 660' FEL (SESE) Unit 760' FSL & 660' FWL (SWSW) Un	11. County or Parish, State Eddy County, New Mexico		
	E BOX(s) TO INDICATE NATURE OF NOTICE	, REPORT, OR OTHER DATA	_
TYPE OF SUBMISSION Notice of Intent	TYPE OF ACTION Abandonment	Change of Plans	_
Subsequent Report	Recompletion Plugging Back	New Construction Non-Routine Fracturing	
Final Abandonment Notice	Casing Repair Altering Casing	Water Shut-Off Conversion to Injection	
	Other	Dispose Water	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 0-5 Bbls of water per day from the Collins Ranch/Wolfcamp. The water will be stored in 1-210 Fbgls tanks and will be trucked by Jim Water Service to the Mitchell SWD #2, located at 23-17S-25E, order SWD-R5602. Or to the Donahue Federal SWD #1, located at 10-20S-24E, order SWD-377. If the System is down it will be trucked by the lowest bid company.

> RECEIVED FEB 15 2011 NMOCD ARTESIA

SEE ATTACHED FOR CONDITIONS OF APPROVAL



(Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)

Accepted for record ARLSBAD FIELD OFFICE

	716	. •
Signed Si	Title Production Secretary	Date_January 14, 2011
(This space for Federal or State office use) Approved by	Title	Date
Conditions of approval, if any:		

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

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.

9/30/2010