

**N.M. Oil Cons. DIV-Dist. 2**  
**1301 W. Grand Avenue**  
**Artesia, NM 88210**

Form 3160-5  
 (June 1990)

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

FORM APPROVED  
 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

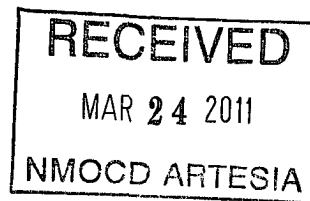
**SUBMIT IN TRIPLICATE**

1. Type of Well Oil      Gas <input checked="" type="checkbox"/> Well <input type="checkbox"/> Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-101579																					
2. Name of Operator Yates Petroleum Corporation	6. If Indian, Allottee or Tribe Name																					
3. Address and Telephone No. 105 South 4 <sup>th</sup> Street, Artesia, NM 88210 (505) 748-1471	7. If Unit or CA, Agreement Designation																					
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 1980' FEL (NWSE) Unit J Sec-6-T12S-R27E	8. Well Name and No. Quarterback BQG Federal#1																					
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	9. API Well No. 30-005-64138																					
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:33%;">TYPE OF SUBMISSION</th> <th style="width:33%;">TYPE OF ACTION</th> <th style="width:33%;">TYPE OF ACTION</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/> Notice of Intent</td> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> Change of Plans</td> </tr> <tr> <td><input type="checkbox"/> Subsequent Report</td> <td><input type="checkbox"/> Recompletion</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Final Abandonment Notice</td> <td><input type="checkbox"/> Plugging Back</td> <td><input type="checkbox"/> Non-Routine Fracturing</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Altering Casing</td> <td><input type="checkbox"/> Conversion to Injection</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td><input checked="" type="checkbox"/> Dispose Water</td> </tr> </tbody> </table>	TYPE OF SUBMISSION	TYPE OF ACTION	TYPE OF ACTION	<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction	<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing		<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off		<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection		<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Dispose Water	10. Field and Pool, or Exploratory Area Wildcat; Wolfcamp
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	11. County or Parish, State Chavez County, New Mexico																					

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

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 0-25 Bbls of water per day from the Wildcat; Wolfcamp. The water will be stored in a 210 Fbgl tank and will be transported by Jims Water Service to the Handicapper SWD State #1 located at Sec3-10S-26E order # SWD-800 or to the Pathfinder AFT STATE #13, located at 21-10S-37E, order SWD-415. If the System is down it will be trucked by the lowest bid company.



**Accepted for record**  
**NMOCD, RF**  
 3/30/11

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

Signed Mateo Rego Title Production Secretary Date February 18, 2011

(This space for production or State office use)  
 Approved by DAVID R. GLASS Title PETROLEUM ENGINEER Date MAR 14 2011  
 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 or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

**SEE ATTACHED FOR**  
**CONDITIONS OF APPROVAL**



**BUREAU OF LAND MANAGEMENT**

**Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201  
575-627-0272**

**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 wire screen 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 for wells in Chaves or Roosevelt County if you have not already done so.