

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NEW MEXICO OIL CONSERVATION DIVISION
1015 S. FIRST STREET
ARTESIA, NM 88210

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



SUNDRY NOTICES AND REPORTS
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.
NMNM90864

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM109689

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
KIRBY BCK FEDERAL COM 1

2. Name of Operator: YATES PETROLEUM CORPORATION
Contact: MICHELLE TAYLOR
Email: michelle@yatespetroleum.com

9. API Well No.
30-005-63573-00-S1

3a. Address
105 SOUTH 4TH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)
Ph: 575-748-4205

10. Field and Pool, or Exploratory
FOOR RANCH-PRE-PERMIAN

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 21 T10S R26E SENW 1980FNL 1980FWL

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

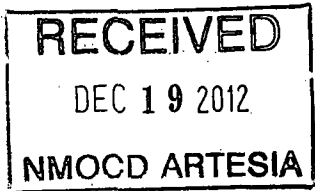
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 Onshore Order Variance
	<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 a variance to utilize a low profile fiberglass stock tank.

With an average oil sale of one load per year, it would be uneconomic and unnecessary to cause additional surface disturbance to replace the tank at this time. Attached is the strapping furnished to Yates and oil sample information including flash point.



Handwritten: NMOCD ARTESIA, 12/19/2012

DENIED! The BLM Can Not Approve The Use Of Fiberglass Tanks For Oil Or Condensate With A Flash Point Below 200°F Due To OSHA Standards (Please See Attached).

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

Electronic Submission #163493 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Roswell
Committed to AFMSS for processing by BEVERLY WEATHERFORD on 12/13/2012 (13BMW0875SE)

Name (Printed/Typed) MICHELLE TAYLOR Title REGULATORY REPORTING MANAGER

Signature (Electronic Submission) Date 12/13/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **DENIED** Title DAVID R GLASS PETROLEUM ENGINEER Date 12/17/2012

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 Roswell

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.

MITCHELL ANALYTICAL LABORATORY

2638 Faudree Road
Odessa, Texas 79765
561-5579

Catalyst Oilfield Services
Vern Disney
P.O. Box 8485
Midland, Texas 79708

December 12, 2012

Sample: 2 oil samples for Flash Point, Gravity & Sulfur content,
dated 12-7-12, Lab No. 12-DEC-W34824.

Kirby BCK Fed Com #2 Kirby BCK Fed Com #1

API Gravity @ 60°F	56.0	57.0
Wt% Sulfur	0.0465	0.1187
Flash Point °F	<10	<10

Analyst
George Roberts

CATALYST OILFIELD SERVICES

98970

98970

BARRELS OF 42 GALLONS

BROCK & ASSOC.

Tank Table Service

Box 2283 - Broken Arrow, Ok. 74013

Date 12/06/2012

Strapped By
REMUDA

Owner YATES PETROLEUM
Farm KIRBY BCK FED COM #1 41040
1/4 Sec. _____ Dist. _____
Section _____
County CHAVES State NEW MEXICO

Pt.	In.	Qts.	Factor
0	0	0	0.00000
1	11	0	0.70518
6	5	0	0.70079
Total			216.24720

15 Ft.
0"
1/4"
1/2"
3/4"
1"
1/4"
1/2"
3/4"
2"
1/4"
1/2"

0 Ft.		1 Ft.		2 Ft.		3 Ft.		4 Ft.		5 Ft.		6 Ft.		7 Ft.		8 Ft.		9 Ft.		10 Ft.		11 Ft.		12 Ft.		13 Ft.		14 Ft.		15 Ft.											
0"	0.00	0"	33.85	0"	67.68	0"	101.32	0"	134.96	0"	168.59	0"	202.23	0"	235.87	0"	269.51	0"	303.15	0"	336.79	0"	370.43	0"	404.07	0"	437.71	0"	471.35	0"	504.99	0"	538.63	0"	572.27						
1/4"	0.71	1/4"	34.55	1/4"	68.38	1/4"	102.02	1/4"	135.66	1/4"	169.29	1/4"	202.93	1/4"	236.57	1/4"	270.21	1/4"	303.85	1/4"	337.49	1/4"	371.13	1/4"	404.77	1/4"	438.41	1/4"	472.05	1/4"	505.69	1/4"	539.33	1/4"	572.97	1/4"	606.61				
1/2"	1.41	1/2"	35.26	1/2"	69.08	1/2"	102.72	1/2"	136.36	1/2"	170.00	1/2"	203.63	1/2"	237.27	1/2"	270.91	1/2"	304.55	1/2"	338.19	1/2"	371.83	1/2"	405.47	1/2"	439.11	1/2"	472.75	1/2"	506.39	1/2"	540.03	1/2"	573.67	1/2"	607.31	1/2"	640.95		
3/4"	2.12	3/4"	35.96	3/4"	69.78	3/4"	103.42	3/4"	137.06	3/4"	170.70	3/4"	204.33	3/4"	237.97	3/4"	271.61	3/4"	305.25	3/4"	338.89	3/4"	372.53	3/4"	406.17	3/4"	439.81	3/4"	473.45	3/4"	507.09	3/4"	540.73	3/4"	574.37	3/4"	608.01	3/4"	641.65		
1"	2.82	1"	36.67	1"	70.48	1"	104.12	1"	137.76	1"	171.40	1"	205.03	1"	238.67	1"	272.31	1"	305.95	1"	339.59	1"	373.23	1"	406.87	1"	440.51	1"	474.15	1"	507.79	1"	541.43	1"	575.07	1"	608.71	1"	642.35		
1/4"	3.53	1/4"	37.37	1/4"	71.18	1/4"	104.82	1/4"	138.46	1/4"	172.10	1/4"	205.74	1/4"	239.38	1/4"	273.02	1/4"	306.66	1/4"	340.30	1/4"	373.94	1/4"	407.58	1/4"	441.22	1/4"	474.86	1/4"	508.50	1/4"	542.14	1/4"	575.78	1/4"	609.42	1/4"	643.06		
1/2"	4.23	1/2"	38.08	1/2"	71.88	1/2"	105.52	1/2"	139.16	1/2"	172.80	1/2"	206.44	1/2"	240.08	1/2"	273.72	1/2"	307.36	1/2"	341.00	1/2"	374.64	1/2"	408.28	1/2"	441.92	1/2"	475.56	1/2"	509.20	1/2"	542.84	1/2"	576.48	1/2"	610.12	1/2"	643.76		
3/4"	4.94	3/4"	38.78	3/4"	72.59	3/4"	106.22	3/4"	139.86	3/4"	173.50	3/4"	207.14	3/4"	240.78	3/4"	274.42	3/4"	308.06	3/4"	341.70	3/4"	375.34	3/4"	409.02	3/4"	442.66	3/4"	476.30	3/4"	509.94	3/4"	543.58	3/4"	577.22	3/4"	610.86	3/4"	644.50		
2"	5.64	2"	39.49	2"	73.29	2"	106.92	2"	140.56	2"	174.20	2"	207.84	2"	241.48	2"	275.12	2"	308.76	2"	342.40	2"	376.04	2"	409.68	2"	443.32	2"	476.96	2"	510.60	2"	544.24	2"	577.88	2"	611.52	2"	645.16	2"	678.80
1/4"	6.35	1/4"	40.20	1/4"	73.99	1/4"	107.62	1/4"	141.26	1/4"	174.90	1/4"	208.54	1/4"	242.18	1/4"	275.82	1/4"	309.46	1/4"	343.10	1/4"	376.74	1/4"	410.38	1/4"	444.02	1/4"	477.66	1/4"	511.30	1/4"	544.94	1/4"	578.58	1/4"	612.22	1/4"	645.86		
1/2"	7.05	1/2"	40.90	1/2"	74.69	1/2"	108.33	1/2"	141.96	1/2"	175.60	1/2"	209.24	1/2"	242.88	1/2"	276.52	1/2"	310.16	1/2"	343.80	1/2"	377.44	1/2"	411.12	1/2"	444.76	1/2"	478.40	1/2"	512.04	1/2"	545.68	1/2"	579.32	1/2"	613.00	1/2"	646.64		
3/4"	7.76	3/4"	41.61	3/4"	75.39	3/4"	109.03	3/4"	142.66	3/4"	176.30	3/4"	209.94	3/4"	243.58	3/4"	277.22	3/4"	310.86	3/4"	344.50	3/4"	378.14	3/4"	411.82	3/4"	445.46	3/4"	479.10	3/4"	512.78	3/4"	546.42	3/4"	580.06	3/4"	613.70	3/4"	647.34		
3"	8.46	3"	42.31	3"	76.09	3"	109.73	3"	143.37	3"	177.00	3"	210.64	3"	244.28	3"	277.92	3"	311.56	3"	345.20	3"	378.84	3"	412.48	3"	446.12	3"	479.76	3"	513.40	3"	547.04	3"	580.68	3"	614.32	3"	647.96	3"	681.60
1/4"	9.17	1/4"	43.02	1/4"	76.79	1/4"	110.43	1/4"	144.07	1/4"	177.70	1/4"	211.34	1/4"	244.98	1/4"	278.62	1/4"	312.26	1/4"	345.90	1/4"	379.54	1/4"	413.18	1/4"	446.82	1/4"	480.46	1/4"	514.10	1/4"	547.74	1/4"	581.38	1/4"	615.02	1/4"	648.66		
1/2"	9.87	1/2"	43.72	1/2"	77.49	1/2"	111.13	1/2"	144.77	1/2"	178.40	1/2"	212.04	1/2"	245.68	1/2"	279.32	1/2"	312.96	1/2"	346.60	1/2"	380.24	1/2"	413.92	1/2"	447.56	1/2"	481.20	1/2"	514.84	1/2"	548.48	1/2"	582.12	1/2"	615.76	1/2"	649.40		
3/4"	10.58	3/4"	44.43	3/4"	78.19	3/4"	111.83	3/4"	145.47	3/4"	179.11	3/4"	212.74	3/4"	246.38	3/4"	280.02	3/4"	313.66	3/4"	347.30	3/4"	380.94	3/4"	414.62	3/4"	448.26	3/4"	481.90	3/4"	515.54	3/4"	549.22	3/4"	582.86	3/4"	616.50	3/4"	650.14		
4"	11.28	4"	45.13	4"	78.89	4"	112.53	4"	146.17	4"	179.81	4"	213.44	4"	247.08	4"	280.72	4"	314.36	4"	348.00	4"	381.64	4"	415.28	4"	448.92	4"	482.56	4"	516.20	4"	549.84	4"	583.48	4"	617.12	4"	650.76	4"	684.40
1/4"	11.99	1/4"	45.84	1/4"	79.59	1/4"	113.23	1/4"	146.87	1/4"	180.51	1/4"	214.14	1/4"	247.78	1/4"	281.42	1/4"	315.06	1/4"	348.70	1/4"	382.34	1/4"	416.02	1/4"	449.66	1/4"	483.30	1/4"	516.94	1/4"	550.58	1/4"	584.22	1/4"	617.86	1/4"	651.50		
1/2"	12.69	1/2"	46.54	1/2"	80.29	1/2"	113.93	1/2"	147.57	1/2"	181.21	1/2"	214.85	1/2"	248.49	1/2"	282.13	1/2"	315.77	1/2"	349.41	1/2"	383.05	1/2"	416.69	1/2"	450.33	1/2"	484.07	1/2"	517.71	1/2"	551.35	1/2"	585.09	1/2"	618.73	1/2"	652.37		
3/4"	13.40	3/4"	47.25	3/4"	80.99	3/4"	114.63	3/4"	148.27	3/4"	181.91	3/4"	215.55	3/4"	249.19	3/4"	282.83	3/4"	316.47	3/4"	350.11	3/4"	383.75	3/4"	417.39	3/4"	451.03	3/4"	484.67	3/4"	518.31	3/4"	551.95	3/4"	585.69	3/4"	619.33	3/4"	653.01		
5"	14.10	5"	47.95	5"	81.70	5"	115.33	5"	148.97	5"	182.61	5"	216.25	5"	250.00	5"	283.64	5"	317.28	5"	350.92	5"	384.56	5"	418.20	5"	451.84	5"	485.48	5"	519.12	5"	552.80	5"	586.44	5"	620.08	5"	653.72	5"	687.36
1/4"	14.81	1/4"	48.66	1/4"	82.40	1/4"	116.03	1/4"	149.67	1/4"	183.31	1/4"	216.95	1/4"	250.59	1/4"	284.23	1/4"	317.87	1/4"	351.51	1/4"	385.15	1/4"	418.79	1/4"	452.43	1/4"	486.07	1/4"	519.71	1/4"	553.35	1/4"	587.09	1/4"	620.73	1/4"	654.37		
1/2"	15.51	1/2"	49.36	1/2"	83.10	1/2"	116.74	1/2"	150.37	1/2"	184.01	1/2"	217.65	1/2"	251.29	1/2"	284.93	1/2"	318.57	1/2"	352.21	1/2"	385.85	1/2"	419.49	1/2"	453.13	1/2"	486.77	1/2"	520.41	1/2"	554.05	1/2"	587.69	1/2"	621.33	1/2"	655.07		
3/4"	16.22	3/4"	50.07	3/4"	83.80	3/4"	117.44	3/4"	151.07	3/4"	184.71	3/4"	218.35	3/4"	252.00	3/4"	285.64	3/4"	319.28	3/4"	352.92	3/4"	386.56	3/4"	420.20	3/4"	453.84	3/4"	487.48	3/4"	521.12	3/4"	554.76	3/4"	588.40	3/4"	622.04	3/4"	655.72		
6"	16.92	6"	50.77	6"	84.50	6"	118.14	6"	151.77	6"	185.41	6"	219.05	6"	252.70	6"	286.34	6"	320.00	6"	353.64	6"	387.28	6"	420.92	6"	454.56	6"	488.20	6"	521.84	6"	555.48	6"	589.12	6"	622.76	6"	656.40	6"	690.04
1/4"	17.63	1/4"	51.48	1/4"	85.20	1/4"	118.84	1/4"	152.48	1/4"	186.11	1/4"	220.75	1/4"	254.40	1/4"	288.04	1/4"	321.68	1/4"	355.32	1/4"	388.96	1/4"	422.60	1/4"	456.24	1/4"	489.88	1/4"	523.52	1/4"	557.16	1/4"	590.80	1/4"	624.44	1/4"	658.08		
1/2"	18.33	1/2"	52.18	1/2"	85.90	1/2"	119.54	1/2"	153.18	1/2"	186.81	1/2"	221.40	1/2"	255.05	1/2"	288.70	1/2"	322.34	1/2"	356.00	1/2"	389.64	1/2"	423.28	1/2"	456.92	1/2"	490.56	1/2"	524.20	1/2"	557.84	1/2"	591.52	1/2"	625.16	1/2"	658.84		
3/4"	19.04	3/4"	52.89	3/4"	86.60	3/4"	120.24	3/4"	153.88	3/4"	187.51	3/4"	222.15	3/4"	255.80	3/4"	289.45	3/4"	323.10	3/4"	356.74	3/4"	390.38	3/4"	424.02	3/4"	457.66	3/4"	491.30	3/4"	524.94	3/4"	558.58	3/4"	592.22	3/4"	625.90	3/4"	659.54		
7"	19.75	7"	53.59	7"	87.30	7"	120.94	7"	154.58	7"	188.22	7"	222.87	7"	25																										



Collar, Albert <acollar@blm.gov>

fiberglass tanks

1 message

Collar, Albert W <acollar@blm.gov>

Tue, Dec 4, 2012 at 1:12 PM

To: "Mayes, Angel M" <amayas@blm.gov>, "Hoskinson, Robert" <rhoskins@blm.gov>

Found the following OSHA letter.

Class IIIB liquids - Flash Point equal to or greater than 200°F.

If the flash point is less than 200°F, then fiberglass tanks would be prohibited

Class IA - Diethyl Ether, Ethylene Oxide, some light crude oils

Class IB - Motor and Aviation Gasolines, Toluene, Lacquers, Lacquer Thinner

Class IC - Xylene, some paints, some solvent-based cements

Class II - Diesel Fuel, Paint Thinner

Class IIIA - Home Heating Oil

Class IIIB - Cooking Oils, Lubricating Oils, Motor Oil

January 13, 1993

Mr. James L. Jones, III, ARM

Training Manager

Ennis, Lumsden, Boylston & Associates, Inc.

605 Eastowne Drive

Chapel Hill, North Carolina 27514

Dear Mr. Jones:

This is in response to your letter of December 1, concerning whether the use of fiberglass tanks for above and below ground storage of flammable and combustible liquids, from gasoline to asphalt, meets the intention of the Occupational Safety and Health Administration's (OSHA) 29 CFR 1910.106(b)(1), Flammable and Combustible Liquids standard.

Fiberglass storage tanks, as described in your letter, meet the intent of our 1910.106(b)(1) standard **only if their use is restricted to installation underground, or required by the properties of the liquids stored, or used for the aboveground storage of Class IIIB liquids.** Fiberglass is considered to be a combustible material due to the flammability of the polyester resin used as a binder for the glass, and thus its use as a type of tank for aboveground storage of Class I, II and IIIA flammable and combustible liquids would be prohibited under OSHA's 1910.106(b)(1) standard.

As you may be aware, OSHA does not regulate Class IIIB liquids. OSHA traditionally has accepted the use of aboveground fiberglass tanks for the storage of certain combustible liquids, such as crude oil, if the tanks are installed in isolated rural areas and meet the other requirements of the latest National Fire Protection Association (NFPA) 30 (1990) standard. Combustible petroleum products of the same class as crude oil may also be stored in aboveground fiberglass tanks if the tanks are also located in isolated rural areas.

We hope the information provided above will be of assistance to you.

Sincerely,

Roger A. Clark,

Director

Directorate of Compliance Programs

Al Collar

Geologist

575.627.0272

575.420.0645 (cell)