OCD-ARTESIA

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires October 31, 2014

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.

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

5. Lease Serial No
NM-81952

6 If Indian, Allottee or Tribe Name

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

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.
Llama ALL Federal Com. #9-H (37765)

2 Name of Operator
Yates Petroleum Corporation

9 API Well No.
30-015-37189

3a. Address
105 South Fourth Street, Artesia, NM 88210

3b Phone No. *(include area code)*
575-748-1471

10 Field and Pool or Exploratory Area
Cabin Lake; Delaware (8435)

4. Location of Well *(Footage, Sec , T.,R.,M., or Survey Description)*
330' FSL & 430' FWL, Section 7-T22S-R31E, Lot 4, Surface Hole
2180' FSL & 430' FWL, Section 6-T22S-R31E, Lot 7, Bottom Hole

11 County or Parish, State
Eddy County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other change footages
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 must 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 must be filed once testing has been completed Final Abandonment Notices must 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 Petroleum Corporation wishes to change the bottom hole location from 330' FNL & 430' FWL, Section 7-T22S-R31E to new footages of 2180' FSL & 430' FWL, Section 6-T22S-R31E, Lot 7. The dedicated acres will be W2SW of Section 6 and the W2 of Section 7. Attached is a new C-102. Also attached is a revised Drilling Plan.

Yates would like to correct the name of this well from the Llama AIL Federal Com #9-H to the Llama ALL Federal Com #9-H.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Accepted for record
NMOCD
5/16/2012

RECEIVED
MAY 15 2012
NMOCD ARTESIA

14 I hereby certify that the foregoing is true and correct Name *(Printed/Typed)*
Cy Cowan

Title Land Regulatory Agent

Signature

Date 5/2/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
MAY 11 2012
Date
WESLEY W. INGRAM
PETROLEUM ENGINEER

Approved by

Title

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

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

(Instructions on page 2)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-37189	8435	Cabin Lake; Delaware

Property Code	Property Name	Well Number
37765	LLAMA ALL FEDERAL COM	9H

OGRID No.	Operator Name	Elevation
025575	YATES PETROLEUM CORP.	3261'

Surface Location

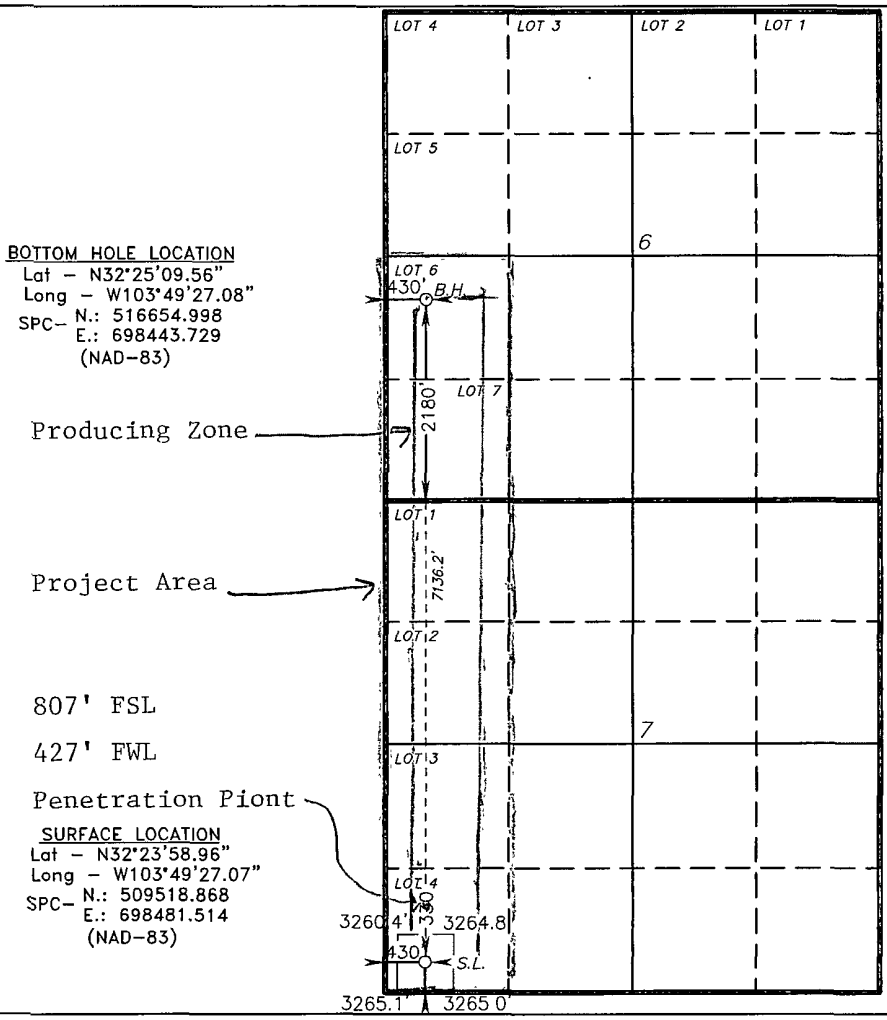
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	7	22 S	31 E		330	SOUTH	430	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 7	6	22 S	31 E		2180	SOUTH	430	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature — Date: 5/8/12

Cy Cowan
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief

MARCH 06, 2008
Date Surveyed

Signature & Seal of Professional Surveyor
GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL SURVEYOR

W.O. Number: 08-329

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

YATES PETROLEUM CORPORATION
Llama ALL Federal Com. #9H
330' FSL and 430' FWL Surface Hole Location, Section 7-T22S-R31E
2180' FSL and 430' FWL Bottom Hole Location, Section 6-T22S-R31E
Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Rustler	480'	
Base of Salt	3850'	
Bell Canyon	3910'	
Cherry Canyon	4820'	Oil
Brushy Canyon	6120'	Oil
Brushy Canyon Marker	7519'	Oil MD
Brushy Sand Target	7973'	Oil MD
TVD	7700'	
TD	14631' TMD	

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 160'
Oil or Gas: See above

3. Pressure Control Equipment: 3000 PSI BOPE with a 13.625" opening will be installed on the 13 3/8" casing and the 9 5/8" casing. The BOP and related BOPE shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17. Pressure tests to 3000 PSI and held for 30 minutes will be conducted before drilling out from under all casing strings, which are set and cemented in place. Blowout Preventer controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: (All New)

Hole Size	Casing Size	Wt./Ft	Grade	Coupling	Interval	Length
17 1/2"	13 3/8"	48#	H-40	ST&C	0-510'	510'
12 1/4"	9 5/8"	40#	J-55	LT&C	0-100'	100'
12 1/4"	9 5/8"	36#	J-55	LT&C	100-3300'	3200'
12 1/4"	9 5/8"	40#	J-55	LT&C	3300-3950'	650'
8 3/4"	5 1/2"	17#	P110	LT&C	0-7220'	7220'
8 1/2"	5 1/2"	17#	P110	Buttress	7220'-14631'	7411'

This well will be drilled vertically to approx. 7223'. At 7223' will kick off and directionally drill at 12 degrees per 100' with an 8 ¾" hole to 7973' MD (7700' TVD). Lateral will then be drilled with an 8 ½" hole to 14631' MD (7700' TVD) where 5 ½" casing will be set and cemented to surface. Cement job will be done in three stages with a DV tool at approximately 7000' and 4000'. Penetration point of the producing zone will be encountered at 807' FSL & 427' FWL, 7-22S-31E. The deepest TVD in this well is 7700' in the lateral.

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8

B. CEMENTING PROGRAM:

Surface casing: Lead with 225 sacks "C" Lite with Gilsonite 3lb/bbl, Poly-E-Flake, CaCl 2% (Yld 1.96 Wt. 12.50) Tail in w/225 sacks Class"C" + 2% CaCl (YLD 1.34 WT 14.8). Cement designed with 100% excess. Cement to Surface.

Intermediate Casing: Lead in with 1065 sacks "C" Lite with Gilsonite 3lb/bbl, Poly- E-Flake, CaCl 2% (Yld 2.00 Wt 12.60). Tail in with 250 sx Class"C" with CaCl 2% (Yld 1.34 Wt. 14.80). Cement designed with 100% excess. Cement to Surface.

Production Casing: Stage I: TOC 7000'. Lead w/ 155 sacks 35:65:6PzC (Yld 2.00 Wt. 12.5). Tail in with 1630 sacks of PecosVlLt with D112, D151, D174, D177, D800, & D046 (Wt 13.00 Yld 1.41). Cement designed with 35% excess. DV tool will be set at approximately 7000'.

Stage II: TOC 4000. 'Lead with 365 sacks 35:65:6PzC (Yld 2.00 Wt 12.50) Tail in with 200 sacks PVlLt with D112, D151, D174, D177, D800, & D046 (Yld 1.41 Wt 13.0). Cement designed with 35% excess. DV tool will be set at approximately 4000'.

Stage III: TOC 0'. Lead with 615 sacks of 35:65:6PzC (Yld. 2.00 Wt. 12.50). Tail in with 100 sacks Class C +2% CaCl2 (Yld. 1.34 Wt. 14.80). Cement designed with 35% excess.

5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

Interval	Type	Weight	Viscosity	Fluid Loss
0-510'	Fresh Water	8.60-9.20	32-34	N/C
510'-3950'	Brine Water	10.00-10.20	28-28	N/C
3950'-14631'	Cut Brine	8.50-8.80	28-29	<15cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10' samples from surface casing to TD.
Logging: Horizontal NWD/GR.
Coring: None anticipated.

DST's: None anticipated.

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Anticipated BHP:

From: 0	TO: 510'	Anticipated Max. BHP:	245	PSI
From: 510'	TO: 3950'	Anticipated Max. BHP:	2100	PSI
From: 3950'	TO: 7700'	Anticipated Max. BHP:	3525	PSI

No abnormal pressures or temperatures are anticipated

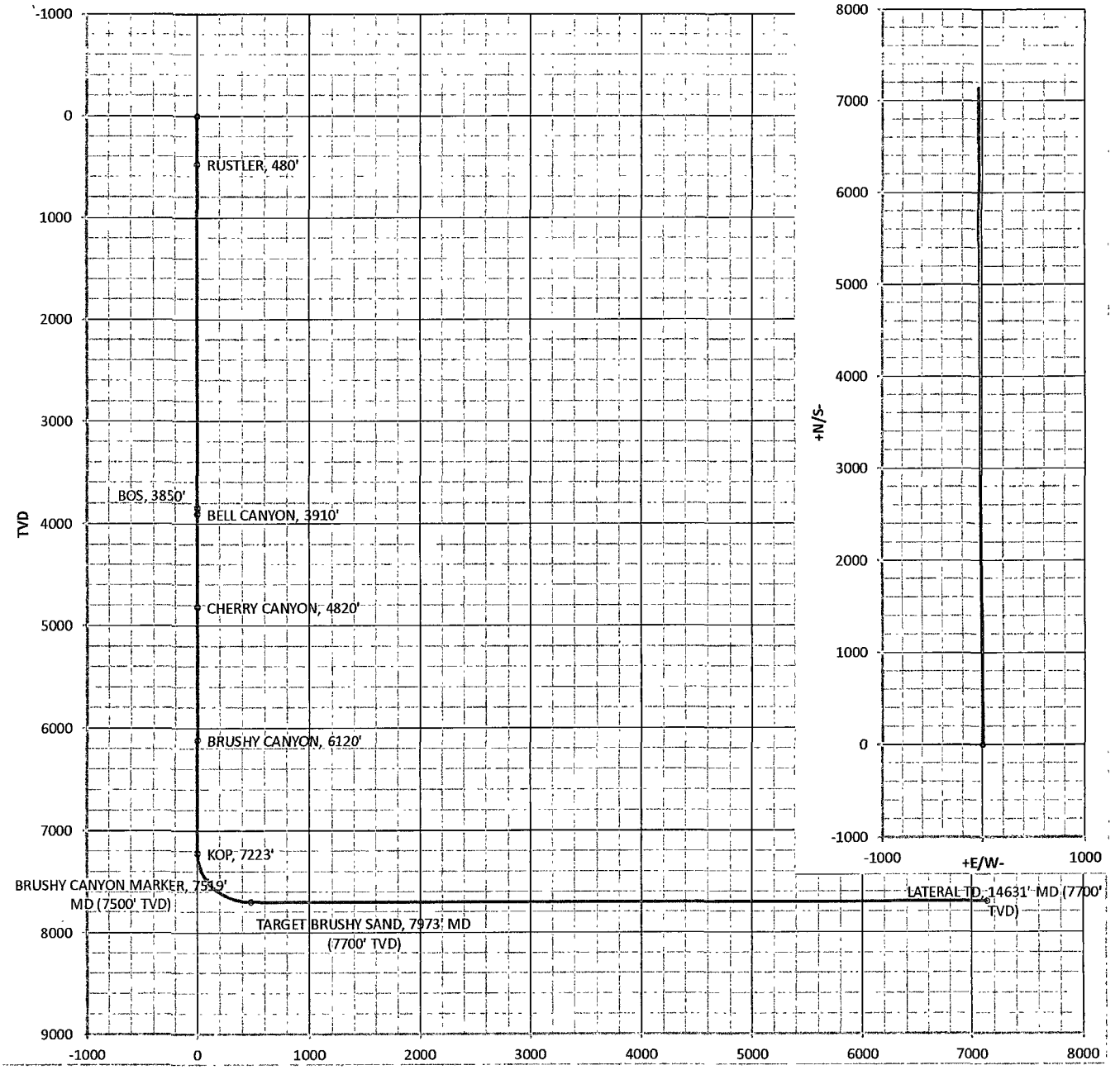
Lost Circulation Zones Anticipated: None

Possible water flow possible below 2800'.

H2S Zones Anticipated: H2S may be encountered in this well.

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 50 days to drill the well with completion taking another 20 days.


RUSTLER, 480'
BOS, 3850'
BELL CANYON, 3910'
CHERRY CANYON, 4820'
BRUSHY CANYON, 6120'
KOP, 7223'
BRUSHY CANYON MARKER, 7519' MD (7500' TVD)
TARGET BRUSHY SAND, 7973' MD (7700' TVD)
LATERAL TD, 14631' MD (7700' TVD)
TVD
+N/S-
+E/W-

Co:	Yates Petroleum Corporation	**Units:**	Feet, °, °/100ft	**VS Az:**	359.70 **Method:** Minimum Curvature
Drillers:	0	**Elevation:**		**Map System:**	NAD83, St. Plane, Wyoming West
Well Name:	Llama ALL Federal Com #9H	**Northing:**		**Latitude:**	
Location:	Sec. 7, 22S-31E	**Easting:**		**Longitude:**	

Yates Petroleum Corporation: Llama ALL Fed Com #9H

No.	MD	CL	Inc	Azi	TVD	VS	+N/S	+E/W	BR	WR	DLS	Comments
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
1	480.00	480.00	0.00	360.00	480.00	0.00	0.00	0.00	0.00	0.00	0.00	RUSTLER, 480'
2	3850.00	3370.00	0.00	360.00	3850.00	0.00	0.00	0.00	0.00	0.00	0.00	BOS, 3850'
3	3910.00	60.00	0.00	360.00	3910.00	0.00	0.00	0.00	0.00	0.00	0.00	BELL CANYON, 3910'
4	4820.00	910.00	0.00	360.00	4820.00	0.00	0.00	0.00	0.00	0.00	0.00	CHERRY CANYON, 482(
5	6120.00	1300.00	0.00	360.00	6120.00	0.01	0.01	0.00	0.00	0.00	0.00	BRUSHY CANYON, 612(
6	7222.54	1102.54	0.00	359.70	7222.54	0.01	0.01	0.00	0.00	0.00	0.00	KOP, 7223'
7	7300.00	77.46	9.30	359.70	7299.66	6.28	6.28	-0.03	12.00	0.00	12.00	
8	7400.00	100.00	21.30	359.70	7395.94	32.62	32.62	-0.17	12.00	0.00	12.00	
9	7500.00	100.00	33.31	359.70	7484.64	78.41	78.40	-0.41	12.00	0.00	12.00	
10	7518.53	18.53	35.53	359.70	7499.92	88.88	88.88	-0.47	12.00	0.00	12.00	BRUSHY CANYON MAR(
11	7600.00	81.47	45.30	359.70	7561.87	141.64	141.63	-0.75	12.00	0.00	12.00	
12	7700.00	100.00	57.30	359.70	7624.28	219.54	219.54	-1.16	12.00	0.00	12.00	
13	7800.00	100.00	69.30	359.70	7669.13	308.72	308.71	-1.63	12.00	0.00	12.00	
14	7900.00	100.00	81.30	359.70	7694.46	405.27	405.26	-2.15	12.00	0.00	12.00	
15	7972.53	72.53	90.00	359.70	7700.00	477.47	477.46	-2.53	12.00	0.00	12.00	TARGET BRUSHY SANI
16	14631.30	6658.77	90.00	359.70	7700.01	7136.24	7136.14	-37.77	0.00	0.00	0.00	LATERAL TD, 14631' MD

PECOS DISTRICT
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Yates Petroleum Corporation
LEASE NO.:	NMNM81952
WELL NAME & NO.:	Llama ALL Federal Com 9H
SURFACE HOLE FOOTAGE:	0330' FSL & 0430' FWL 7-22S-31E
BOTTOM HOLE FOOTAGE	2180' FSL & 0430' FWL 6-22S-31E
LOCATION:	Section 7, T. 22 S., R. 31 E., NMPM
COUNTY:	Eddy County, New Mexico

Plat is incorrect as bottom hole is in Lot 6 not in Lot 7.

Communitization Agreement

A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales.

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

a. Spudding well
b. Setting and/or Cementing of all casing strings
c. BOPE tests

☒ **Eddy County**
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated prior to drilling out the surface shoe. **As a result, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.**

3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

4. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#).

Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

R-111-P potash
Possible brine and water flows in the Salado and Castile Groups.
Possible lost circulation in the Delaware and Bone Spring Formations.

1. The **13-3/8"** inch surface casing shall be set **at approximately 510 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

    b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

    c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

    d. If cement falls back, remedial action will be done prior to drilling out that string.

2. The minimum required fill of cement behind the 9-5/8" intermediate casing is:

    ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to R-111-P potash.**

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

    a. First stage to DV tool:

    ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator shall have plans as to how they will achieve circulation on the next stage.

    b. Second stage to DV tool:

    ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator shall have plans as to how they will achieve circulation on the next stage.

    c. Third stage above DV tool:

    ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

5. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

    a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.

3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

    a. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.

    b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

    c. The results of the test shall be reported to the appropriate BLM office.

    d. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**

    e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. FLARE REQUIREMENTS

If drilling takes place while fire restrictions are in effect, then provision must be made for a remote electronic ignition source, or equivalent, to be available on the flare that is downwind of the drilling rig and wellhead. Flare guns shall not be used if fire restrictions are implemented.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. WIPP Requirements

The proposed well is located within 330' of the WIPP Land Withdrawal Area boundary. As a result, Yates Petroleum Corporation is required to submit daily drilling reports, logs and deviation survey information to the Bureau of Land Management and the Department of Energy per requirements of the Joint Powers Agreement until a total vertical depth of 7,000 feet is reached. These reports will have at a minimum the rate of penetration and a clearly marked section showing the deviation for each 500 foot interval. Operator may be required to do more frequent deviation surveys based on the daily information submitted and may be required to take other corrective measures. Information from this well will be included in the Quarterly Drilling Report. Information will also be provided to the New Mexico Oil Conservation Division after drilling activities have been completed. Upon completion of the well, the operator shall submit a complete directional survey. Any future entry into the well for purposes of completing additional drilling will require supplemental information.

Yates Petroleum Corporation can email the required information to Mr. Melvin Balderrama at Melvin.Balderama@wipp.ws or Mr. J. Neatherlin at Jimmy.Neatherlin@wipp.ws fax to his attention at 575-234-6062.

G. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

WWI 051112