Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR OCD Artesia BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No.

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name			
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No. MARCEL BMM FEDERAL 1H			
2. Name of Operator Contact: MIRIAM MORALES YATES PETROLEUM CORPORATION€-Mail: mmorales@yatespetroleum.com					9. API Well No. 30-015-36845			
3a. Address 105 SOUTH FOURTH STREE ARTESIA, NM 88210	3b. Phone No Ph: 575-74	. (include area cod 8-4200	e) .	10. Field and Pool, or Exploratory COUNTY LINE TANK; WOLFCAMP				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, and State			
Sec 1 T16S R29E NENE 1090FNL 200FEL					EDDY COUNTY COUNTY, NM			
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12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATE	NATURE OF	NOTICE, RI	EPORT, OR OTH	ER D	ATA	
TYPE OF SUBMISSION	TYPE OF ACTION							
■ Notice of Intent	☐ Acidiźe	Dee:	oen	☐ Production (Start/Resume)			Water Shut-Off	
	☐ Alter Casing	☐ Fracture Treat		_	☐ Reclamation		Well Integrity	
☐ Subsequent Report	□ Casing Repair	_	Construction		Recomplete		Other enting and/or Flari	
☐ Final Abandonment Notice	☐ Change Plans				ng ng			
	Convert to Injection			☐ Water Disposal g date of any proposed work and appro				
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 Petroleum respectfully requests permission to flare due to abnormal system pressure in the DCP lines. This unaveridable flaring could result in a longer that 24 hour period and possibly more than the 144 hours cumulative authorized under NTL4A III.A. We will be requesting this possible additional and avoidable flaring until DCP pressures can be stabilized or other options become available. Flare volumes will be measured and reported on OGOR. The possibility to flare will not be consistent, therefore, the estimated/possible voume per month is 1,000 MCF. SUBJECT TO LIKE CONDITIONS OF APPROVAL								
APPROVAL BY STATE								
14. I hereby certify that the foregoing is true and correct. Electronic Submission #226641 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 12/02/2013 ()								
Name(Printed/Typed) MIRIAM MORALES Title PROL				UCTION ANA	LYST		·	
Signature (Electronic S	Submission)		. Date 11/13/2	2012				
Signature (Electronic C	THIS SPACE FO	R FEDERA			€OVFD			
	11 11/11			T	TOVED	十		
_Approved By	1) Stables		Title				Date	
Conditions of approval, if any see attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to conduct the applicant the applicant to conduct the applicant the	itable title to those rights in the	not warrant or subject lease	Office	MAR	1 2 2014			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a statements or representations as	crime for any pe to any matter wi	rson knowingly an thin its jurisdiction	BURITAII) (15 1.4 CARLSBAD	KW 18 MAY NASAFAMEN I D FIELD OFFICE	r agen	cy of the United	

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

3/12/2014 Approved subject to Conditions of Approval. JDB

Condition of Approval to Flare Gas

- 1. Report all volumes on OGOR reports.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JDB