

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

BLOCD-ARTESIA

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.**5. Lease Serial No.  
NMLC057459

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

## 1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other FACILITY8. Well Name and No.  
Leonard B Battery2. Name of Operator  
Quantum Resources

9. API Well No.

3a. Address  
1401 MCKINNEY STREET SUITE 2400  
HOUSTON, TX. 770103b. Phone No. (include area code)  
575-420-7287

10. Field and Pool or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
NWNE33-17S-29E-NMP11. County or Parish, State  
Eddy, NM

## 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☐ Subsequent Report☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Final Abandonment Notice☐ Casing Repair☐ New Construction☐ Recomplete☒ Other☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon

BLM INSPECTION

☐ 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 recompleat 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 recompleat 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.)

BLM INSPECTION OF FACILITY. REPAIR TANK THIEF HATCHES AND GENERAL HOUSEKEEPING PROVIDE DRAWING OF FACILITY AND WHERE WATER IS BEING DISPOSED OF AND HOW IT IS GETTING TO DISPOSAL.

RECEIVED

MAY 12 2014

NMOCD ARTESIA

APPROVED

MAY 7 2014

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICESEE ATTACHED FOR  
CONDITIONS OF APPROVALthis was correct -  
was verified on location

JLH 5/7/14

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
CLAYTON FRANK

Title PRODUCTION FOREMAN

Signature

Date 3/25/2014

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

Bureau of Land Management  
Carlsbad Field Office  
620 E. Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

**WATER PRODUCTION & DISPOSAL INFORMATION**

1. Name(s) of formation(s) producing water on the lease.  
San Andres
2. Amount of water produced from all formations in barrels per day: 306PD
3. How water is stored on lease. Water is Sent Directly from Heater to another facility - Not Stored on Lease to Leonard A Btry
4. How water is moved to the disposal facility. water is transported to Disposal by TRUCK
5. Identify the Disposal Facility by:
  - A. Facility Operators name. Quantum Resources
  - B. Name of facility or well name and number. Aotesia Un. 4 #1 SWD
  - C. Type of facility or well (WDW)(WIW) etc. Salt water Disposal
  - D. Location by 1/4 1/4 NW/SE Section 26 Township 17S Range 28E
  - C. The appropriate NMOCD permit number 360R-11720

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

**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.

4/28/2012