Form 3160-5 (August 2007)

UNITED STATES

FORM APPROVED

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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 reverse side.					OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMNM62211 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. NM \ 33404												
									1. Type of Well Gas Well Other					8. Well Name and No. HANAGAN APL FEDERAL COM 3H			
									2. Name of Operator YATES PETROLEUM CORP	JRULE .com		9. API Well No. 30-015-39801					
									3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		3b. Phone No Ph: 575-74	o. (include area code 48-4281/	:)	10. Field and Pool, or Exploratory PARKWAY; BONE SPRING			
4. Location of Well (Footage, Sec., 7	4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish, and State													
Sec 31 T19S R30E SWSW 60				EDDY COUNTY COUNTY, NM													
12. CHECK APP	ROPRIATE BOX(ES) TO) INDĮCATE	NATURE OF I	NOTICE, R	EPORT, OR OTHE	R DATA											
TYPE OF SUBMISSION	TYPE OF ACTION																
Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involved testing has been completed. Final Addetermined that the site is ready for form and the state of the stat	ally or recomplete horizontally, it will be performed or provide operations. If the operation respondent horices shall be file inal inspection.) is submitting an application well at present produces a solo bbl tanks and will be p	Nev Plug Plug t details, includ give subsurface the Bond No. or ults in a multiple d only after all n for water p in average of ipelined to the	cture Treat v Construction g and Abandon g Back ing estimated startin locations and measur n file with BLM/BIA e completion or recorrequirements, includ ursuant to order 100-250 bbls of	Reclam Recom Tempor Water I g date of any p red and true ve A. Required su ompletion in a ding reclamation #7 and f water per of Vell No. 5	plete rarily Abandon Disposal roposed work and approx errical depths of all pertir bsequent reports shall be new interval, a Form 316 n, have been completed, day. SEE A7	ent markers an filed within 30 50-4 shall be file	n thereof d zones. O days ed once or has										
	Electronic Submission #2 For YATES PETRO Committed to AFMSS for	62966 verifie LEUM CORP	d by the BLM Wei DRATION, sent to y LINDA DENNIS	o the Carlsba TON on 12/0	ad 2/2014 ()												
Signature (Electronic S	ubmission) .		Date 09/12/20	014	APPRO	VED											
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE	SE												
Signature (Electronic Submission) THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved By 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				2015 Date													
			Office	0	JAMES A. A. SUPERVISO	AMOS OR-EPS											

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.

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. Any on-lease open top storage tanks shall be covered with a protective cover 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 if you have not already done so.
- 8. Disposal at any other site will require prior approval.
- 9. Subject to like approval by NMOCD.

7/10/14