

NMOCD  
ArtesiaUNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM0437523
2. Name of Operator YATES PETROLEUM CORPORATION Contact: GARRETT SANDERS E-Mail: gsanders@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4203	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		8. Well Name and No. Multiple--See Attached
		9. API Well No. Multiple--See Attached
		10. Field and Pool, or Exploratory SAND TANK - BONE SPRING WILDCAT
		11. County or Parish, and State EDDY 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<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 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 shall 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 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.)

Additional wells at battery that could flare include the Grateful BOD Fed COM #2H API# 30-015-38518.

Yates Petroleum respectfully requests permission to flare due to abnormal system pressure in the Agave lines for a period of 90 days or until 08/31/2015.

This circumstantial flaring could result longer than 24 hour period and possibly more than the 144 hours cumulative authorized under NTL4A III.A.

we will be requesting this possible additional flaring until Agave pressures can be stabilized or other options become available. Flare volumes will be reported on OGOR.

LRD 10/14/2015  
Accepted for record  
NMOCD

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
OCT 14 2015

RECEIVED

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #301589 verified by the BLM Well Information System</b> <b>For YATES PETROLEUM CORPORATION, sent to the Carlsbad</b> <b>Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/02/2015 (16JAS0055SE)</b>	
Name (Printed/Typed) GARRETT SANDERS	Title PRODUCTION ANALYST
Signature (Electronic Submission)	Date 05/13/2015

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>DAVID R GLASS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>10/05/2015</u>
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 <u>Carlsbad</u>

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

**Additional data for EC transaction #301589 that would not fit on the form**

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

NMNM128652  
NMNM129302

**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM128652	NMNM0437523	GRATEFUL BOD FEDERAL COM	38-015-38990-00-S1	Sec 13 T18S R29E NENE 786FNL 545FEL
NMNM129302	NMNM0437523	GRATEFUL BOD FEDERAL COM	26-015-38518-00-S1	Sec 13 T18S R29E SENE 1650FNL 330FEL

**32. Additional remarks, continued**

The possibility to flare will not be consistent, therefore, the estimated/possible volume per day is 372 +/- MCF.

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 E. Greene**  
**Carlsbad, New Mexico 88220-6292**  
**(575) 234-5972**  
**Venting and/or Flaring**  
**Conditions of Approval**

1. Report all volumes on OGOR B as disposition code 08.
2. Comply with NTL-4A requirements
3. Subject to like approval from New Mexico Oil Conservation Division.
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 must meet all requirements for sale meter as Federal Regulations and Onshore Order No. 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 No. 3.
8. Approval not to exceed 90 days from date requested on sundry.
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.