*>rm 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

| FC | ORM A | PPRO | VED |
|-----|-----------|---------|------|
| ON | AB NO. | . 1004 | -013 |
| Ext | nires: Ju | ılv 31. | 201 |

| BUREAU OF LAND MANAGEMENT OCH ARTESIA SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an | | | | | Explication 1. Lease Serial No. NMNM15881 | | |
|--|----------------------|------------|--------------------------------------|-----------------------|---|------------------|--|
| abandoned well. Use form 3160-3 (APD) for such proposals. | | | 6. If Indian, Allottee or Tribe Name | | | | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | | 7. If Unit or CA/Agreement, Name and/or No. | | |
| 1. Type of Well | | | | | 8. Well Name and No. SLINKARD UR FED 1 | | |
| Oil Well Gas Well Other 2. Name of Operator Contact: TINA HUERTA | | | | | 9. API Well No. | | |
| YATES PETROLEUM CORPORATIONE-Mail: tinah@yatespetroleum.com | | | | 30-015-23698-00-S1 | | | |
| 3a. Address 3b. Phone No. 105 SOUTH FOURTH STREET Ph: 575-74 ARTESIA, NM 88210 Fx: 575-74 | | | | | 10. Field and Pool, or Exploratory E BURTON | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | 11. County or Parish, and State | | | | |
| Sec 11 T20S R29E SENE | | | | EDDY COUNTY, NM | | | |
| 12. СНЕСК АРРІ | ROPRIATE BOX(ES) TO | O INDICATE | NATURE OF N | OTICE, RE | EPORT, OR OTHE | R DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | |
| ☑ Notice of Intent | ☐ Acidize | ☐ Dee | pen | ☐ Producti | on (Start/Resume) | ■ Water Shut-Off | |
| _ | ☐ Alter Casing | ☐ Frac | ture Treat | ☐ Reclama | ation | ■ Well Integrity | |
| ☐ Subsequent Report | ☐ Casing Repair | | | | | Other | |
| ☐ Final Abandonment Notice | Change Plans | | | ☐ Temporarily Abandon | | | |
| | Convert to Injection | | | Water D | • | | |
| 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 shall 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 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 Corporation is submitting an application for water pursuant to order #7 and requests your approval. The well, at present, produces an average of 5 bbls of water per day. The water will be stored in 1-210 bbl tank and will be pipelined to the Anthill State SWD #5 located in | | | | | | | |
| Unit K of Sec 2-T20S-R29E SWD-1441 or possibly trucked by Pops Enterprises to the Cigarillo SWD #1 located in Unit G of Sec 36-T23S-27E SWD-1121-A. SEE ATTACHED FOR CONDITIONS OF APPROVAL OC 4-12-17 | | | | | | | |
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #344721 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 07/15/2016 (16PP1716SE) Name (Printed/Typed) TINA HUERTA Title REG REPORTING SUPERVISOR APR 1 0 2017 | | | | | | | |
| | | | | | , | RECEIVED | |
| Signature (Electronic Submission) Date 07/14/2016 THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | | |
| Approved By | Zur D | | | Lie | | 12.29.16 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 OF | $\overline{0}$ | | | |

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