

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS

FORM APPROVED  
OMB No 1004-0137  
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.**

5 Lease Serial No  
NMNM13280

6 If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** -- Other instructions on page 2.

HOBBS OCD

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

AUG 25 2011

2 Name of Operator

THREE RIVERS OPERATING COMPANY, LLC

3a. Address

1122 S CAPITAL OF TX HWY, SUITE 325  
AUSTIN, TX 78746

3b Phone No (include area code)

512-600-3195

7 If Unit of CA/Agreement, Name and/or No.  
1212117900

8 Well Name and No.  
MARSHALL 12 FED COM 1

9 API Well No.  
30-025-37996

10. Field and Pool or Exploratory Area  
QUAIL RIDGE; MORROW

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)

P-12-20S-33E 660 FSL & 550 FEL

11. Country or Parish, State  
LEA COUNTY, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 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 must 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 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.)

The subject well produces approximately 18-20 bswpd, and is stored in a 400 bbl steel tank. The water is then trucked to Key Energy Services Company SWD wells: Jay H Day #1 and Jay H Day #2. A copy of the State of New Mexico Oil Conservation Commission Order for salt water disposal is attached.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

AUG 20 2011

/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

Amy Temple

Title Regulatory Analyst

Signature

Amy Temple

Date 08/02/2011

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

AUG 26 2011

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)

## WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Names(s) of all formation(s) producing water on the lease.

Quail Ridge; Morrow

2. Amount of water produced from all formations in barrels per day.

18 bbls

3. How water is stored on the lease.

400 bbl tank

4. How water is moved to the disposal facility.

hauled by Truck

5. Identify the Disposal Facility by:

A. Facility Operator Name Key Energy Services.

B. Name of facility of well name & number Jay H Day #1 + #2

C. Type of facility of well (WDW)(WIW), etc. INJ

D. Location by 1/4, 1/4, Section, Township and Range M Sec 31.T21.S R36E

6. Attach a copy of the State issued permit for the Disposal Facility. #13029

Submit all of the above required information to the Carlsbad Field Office, 620 E. Greene St., Carlsbad, NM 88220, on a Sundry Notice Form 3160-5, 1 Original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice.)

PTTNR 71

Atha

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

Permit NO.  
NM 13029

CASE No. 4061

Order No. R-3694

APPLICATION OF MILLARD DECK OIL COMPANY  
FOR SALT WATER DISPOSAL, LEA COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSIONBY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 26, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of March, 1969, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Millard Deck Oil Company, is the  
owner and operator of the Atha Well No. 1, located in Unit M of  
Section 31, Township 21 South, Range 36 East, NMPM, South Eunice  
Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to  
dispose of produced salt water into the Seven Rivers and Queen  
formations, with injection into the open-hole interval from  
approximately 3752 feet to 3872 feet.

(4) That the injection should be accomplished through  
2 3/8-inch plastic-lined tubing installed in a packer set at  
approximately 3730 feet and that a hydrostatically balanced  
column of inert fluid should be maintained in the casing-  
tubing annulus.

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CASE No. 4061

Order No. R-3694

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Millard Deck Oil Company, is hereby authorized to utilize its Atha Well No. 1, located in Unit M of Section 31, Township 21 South, Range 36 East, NMPM, South Eunice Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers and Queen formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3730 feet, with injection into the open-hole interval from approximately 3752 feet to 3872 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined and that a hydrostatically balanced column of inert fluid shall be maintained in the casing-tubing annulus.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary.

S E A L

esr/

**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.

6/17/2011