

HOBBS OCD

OCD Hobbs

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

JUN 03 2013

UNITED STATES  
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.*

5. Lease Serial No. NMNM 123537
6. If Indian, Allottee or Tribe Name

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Texland Petroleum-Hobbs, LLC	8. Well Name and No. RLF Trust 25 Federal Com #1H
3a. Address 777 Main Street, Suite 3200 Fort Worth, Texas 76102	9. API Well No. 30-025-40380
3b. Phone No. (include area code) 575-397-7450	10. Field and Pool or Exploratory Area East Garrett, Drinkard
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 330' FEL, Unit A	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 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 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 recomplate 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.)

From 5/19/12 to 1/22/13 Texland Petroleum-Hobbs water production from the above well was hauled by truck to Gandy Corp's H&M Disposal, OCD Permit # SWD-300.

Initial start date 1/23/13: An agreement has been made to flowline the water production to Kevn O'Butler and Associate's Aetna Eaves #2 Salt Water Disposal API#30-025-27789, Sec. 26, T16S, R38E, Lea County, New Mexico OCD Permit #SWD-378-0

*See attachment*

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE  
APPROVAL BY STATE**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  Vickie Smith	Title Regulatory Analyst
Signature <i>Vickie Smith</i>	Date 01/18/2012

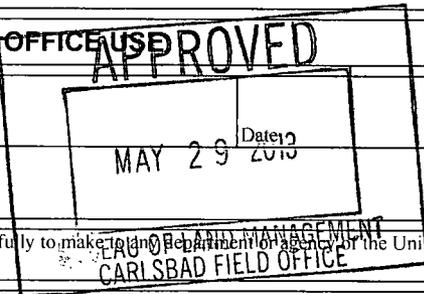
**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by  <b>/s/ Jerry Blakley</b>	Title  Office
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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.

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 Federal, State, or local officer or employee of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



JUN 04 2013

### WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

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

Drinkard

2. Amount of water produced from each formation in barrels per day.

est 28 bbls/day

3. How water is stored on the lease.

500 bbl stock tank

4. How water is moved to disposal facility.

flow line

5. Operator's of disposal facility Kevin O Brian & Associates

- a. Lease name or well name and number Aetna Caves #2

- b. Location by ¼ ¼ Section, Township, and Range of the disposal system \_\_\_\_\_

Unit A, Sec 26, T16S, R38E

- c. The appropriate NMOCD permit number \_\_\_\_\_

Order # SWD-378-0

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Submit on Federal Sundry 3160 to Carlsbad Field Office 620 E Greene Street Carlsbad NM88210.

**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. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
10. Disposal at any other site will require prior approval.
11. Subject to like approval by NMOCD.

JDB5/29/2013