

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

HOBBS OCD
NOV 8 2016
RECEIVED

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.
NMLC030132B

6. If Indian, Allottee or Tribe Name

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

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		8. Well Name and No. CLOSSON B 03
2. Name of Operator <i>Breitburn Operating</i> Contact: JEANIE MCMILLAN QUANTUM RESOURCES MGMT LLC Mail: jeanie.mcmillan@breitburn.com		9. API Well No. 30-025-08962-00-S1
3a. Address 1401 MCKINNEY STREET SUITE 2400 HOUSTON, TX 77010	3b. Phone No. (include area code) Ph: 713-634-4696 Fx: 713-634-4697	10. Field and Pool, or Exploratory JALMAT-TAN-YATES-7RVRS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T22S R36E NWNW 660FNL 330FWL ✓		11. County or Parish, and State LEA COUNTY, NM

12. CHECK 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 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.)

Conditions of Approval Operator Change required that we submit some additional information for each lease. Breitburn Operating LP respectfully submits the following regarding these conditions of approval.

Attached hereto is a facility Diagram as per Onshore Order #3
Attached is a water analysis along with Water Production and Disposal information.

Accepted for Record Purposes.
Approval Subject to Onsite Inspection.
Date: 11/17/16
[Signature]

Note: This well has been plugged. (11.06.15)

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #344112 verified by the BLM Well Information System
For QUANTUM RESOURCES MGMT LLC, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 09/06/2016 (16PP0982SE)**

Name (Printed/Typed) JEANIE MCMILLAN	Title REGULATORY MANAGER
Signature (Electronic Submission)	Date 07/08/2016

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 _____

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 ****

Accepted for Record Only
MAB/OCD 11/28/2016

WATER PRODUCTION & DISPOSAL INFORMATION

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

1. Name(s) of formation(s) producing water on the lease.
_JALMAT YATES, SEVEN RIVERS_____
2. Amount of water produced from all formations in barrels per day.
_50 BWPD_____
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled).

4. How water is stored on lease.
_IN 500 BBL FG STORAGE TANK_____
5. How water is moved to the disposal facility.
WATER IS PUMPED VIA HP LINE THROUGH HP INJECTION LINE TO CLOSSON B FED #18 WIW_
6. Identify the Disposal Facility by:
 - A. Facility Operators name. _BREITBURN OPERATING_____
 - B. Name of facility or well name and number. _CLOSSON B FEDERAL #018 WIW_____
 - C. Type of facility or well (WDW) (WIW) etc. _____WIW_____
 - D. Location by $\frac{1}{4}$ $\frac{1}{4}$ _SW NW___ Section _19___ Township _22S___ Range ___36E___
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, **620 EAST GREENE ST, CARLSBAD NM, 88220**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice).

WATER PRODUCTION & DISPOSAL INFORMATION

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

1. Name(s) of formation(s) producing water on the lease.
_JALMAT YATES, SEVEN RIVERS_____
2. Amount of water produced from all formations in barrels per day.
_25 BWPD_____
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled).

4. How water is stored on lease.
_IN 300 BBL FG STORAGE TANK_____
5. How water is moved to the disposal facility.
WATER IS TRANSFERRED VIA 3" POLY FLOW LINE TO CLOSSON B FED BATTER 1 FOR DISPOSAL _
6. Identify the Disposal Facility by:
 - A. Facility Operators name. _BREITBURN OPERATING_____
 - B. Name of facility or well name and number. _CLOSSON B FEDERAL #018 WIW_____
 - C. Type of facility or well (WDW) (WIW) etc. _____WIW_____
 - D. Location by ¼ ¼ _NE SW___ Section _30___ Township _22S___ Range ___36E___
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, **620 EAST GREENE ST, CARLSBAD NM, 88220**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice).



Catalyst Oilfield Services
 11999 E Hwy 158
 Gardendale, TX 79758
 (432) 563-0727
 Fax: (432) 224-1038

Water Analysis Report

Company: Breitburn Operating Sample #: 29037
 Area: Permian Basin Analysis ID #: 34157
 Lease: Closson B
 Location: B1 Battery 0
 Sample Point: Wellhead

Sampling Date:	7/9/2015	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	7/14/2015	Chloride:	35081.4	989.52	Sodium:	13700.0	595.92
Analyst:	Catalyst	Bicarbonate:	1085.8	17.79	Magnesium:	5213.0	428.84
TDS (mg/l or g/m3):	61257.7	Carbonate:			Calcium:	1234.0	61.58
Density (g/cm3):	1.042	Sulfate:	3800.0	79.12	Strontium:	32.8	0.75
					Barium:	0.0	0.0
Hydrogen Sulfide:	139.4				Potassium:	353.3	9.04
Carbon Dioxide:	27				Iron:	0.0	0.0
					Manganese:	0.000	0.0
Comments:		pH at time of sampling:		6.66			
		pH at time of analysis:					
		pH used in Calculation:		6.66			
		Temperature @ lab conditions (F):		75	Conductivity (micro-ohms/cm):		88100
					Resistivity (ohm meter):		.1135

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl

Temp	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	0.42	64.66	-0.18	0.00	-0.23	0.00	0.01	0.66	0.00	0.00
100	0.54	85.11	-0.21	0.00	-0.19	0.00	0.02	0.66	0.00	0.00
120	0.67	105.90	-0.22	0.00	-0.12	0.00	0.03	1.32	0.00	0.00
140	0.81	127.01	-0.23	0.00	-0.03	0.00	0.05	2.31	0.00	0.00
160	0.94	147.80	-0.22	0.00	0.07	133.28	0.08	3.63	0.00	0.00
180	1.08	167.92	-0.22	0.00	0.19	330.89	0.11	5.28	0.00	0.00
200	1.22	186.72	-0.21	0.00	0.32	515.31	0.15	6.60	0.00	0.00
220	1.35	204.21	-0.19	0.00	0.46	680.26	0.18	7.92	0.00	0.00



Catalyst Oilfield Services
 11999 E Hwy 158
 Gardendale, TX 79758
 (432) 563-0727
 Fax: (432) 224-1038

Water Analysis Report

Company: Breitburn Operating Sample #: 29038
 Area: Permian Basin Analysis ID #: 34158
 Lease: Closson B
 Location: B2 Battery 0
 Sample Point: Wellhead

Sampling Date:	7/9/2015	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	7/14/2015	Chloride:	23971.9	676.16	Sodium:	10350.0	450.2
Analyst:	Catalyst	Bicarbonate:	2169.2	35.55	Magnesium:	3101.0	255.1
TDS (mg/l or g/m3):	41738	Carbonate:			Calcium:	440.4	21.98
Density (g/cm3):	1.03	Sulfate:	740.0	15.41	Strontium:	16.3	0.37
Hydrogen Sulfide:	504.9				Barium:	0.0	0.
Carbon Dioxide:	0				Potassium:	302.3	7.73
Comments:		pH at time of sampling:		7.496	Iron:	0.0	0.
		pH at time of analysis:			Manganese:	0.000	0.
		pH used in Calculation:		7.496	Conductivity (micro-ohms/cm):		66300
		Temperature @ lab conditions (F):		75	Resistivity (ohm meter):		.1508

Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl

Temp	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	1.18	172.52	-1.18	0.00	-1.23	0.00	-0.81	0.00	0.00	0.00
100	1.25	193.04	-1.20	0.00	-1.19	0.00	-0.81	0.00	0.00	0.00
120	1.31	214.23	-1.22	0.00	-1.12	0.00	-0.79	0.00	0.00	0.00
140	1.38	235.41	-1.22	0.00	-1.04	0.00	-0.77	0.00	0.00	0.00
160	1.45	256.60	-1.22	0.00	-0.94	0.00	-0.74	0.00	0.00	0.00
180	1.53	277.11	-1.22	0.00	-0.82	0.00	-0.70	0.00	0.00	0.00
200	1.61	295.95	-1.21	0.00	-0.69	0.00	-0.66	0.00	0.00	0.00
220	1.70	312.76	-1.20	0.00	-0.55	0.00	-0.62	0.00	0.00	0.00

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