Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

N.M. Oil Co Fig. 1980 Hobbs, NM 88241

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

NM-86172

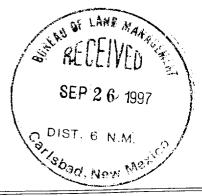
SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. X Oil Well Other Appleseed Fed Com #1 2. Name of Operator 9. API Well No. Manzano Oil Corporation 30-025-20377 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area (505) 623-1996 P.O. Box 2107, Roswell, NM 88202-2107 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Lynch Penn. 11. County or Parish, State 1980'FNL & 660'FEL Sec 17, T20S, R35E Lea County, NM

 TYPE OF SUBMISSION	TYPE O	TYPE OF ACTION	
Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Effective 8/8/97 the water from this well is being disposed in the Appleseed SWD Fed #2 located 1980'FSL & 660' FEL, Unit Letter I, Section 17, T20S, R35E, Lea County, New Mexico, operated by Manzano Oil Corporation.



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14. I hereby certify that the foregoing is true and correct Signed	Title Engineering Technician	Date 9/25/97
(This space for Federal or State office use) Approved by Conditions of approval, if any:	TitleP.E.	Date 10/7/97
- SEE ATDACHED		

Title 18 U.S.C. Section 1001, makes 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 Roswell District 2909 West Second Street Roswell, New Mexico 88201 505-627-0272

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 sandstone brown, Federal Std. 595-20318, or 30318, within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a wire screen 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.
- S. 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.