Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

RECEIVED

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993 5. Lease Designation and Serial No.

NM-56264 SUNDRY NOTICES AND REPORTS ON WEIGHT FAU OF AND NOTICES AND REPORTS ON WEIGHT OF AND NOTICES AND REPORTS OF AND REPORTS OF AND REPORTS ON THE AND REPORTS OF AND REPORTS OF AND REPORTS OF AND REPORTS ON THE AND REPORTS OF AND REPORT 6. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well X Oil 8. Well Name and No. Gas Well North Lea Federal #10
9. API Well No. 2. Name of Operator Read & Stevens, Inc. 30-025-31822 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area Roswell, NM 88202 P. O. Box 1518 505/622-3770 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Northeast Lea Delaware 11. County or Parish, State 660' FNL & 990' FEL Section 10 T20S-R34E Lea County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment Notice of Intent Recompletion New Construction Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Ahandonment Notice Dispose Water 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 it stops give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Update/Approval for method of water disposal. Delaware formation producing water on the lease. a) 800 barrels of water per day produced from formation. b) Water analysis-TDS 203,000 mg/1 ph=7, Cl=124,000 mg/1, C) SO4=170 mq/1.d) Water is stored on the lease in tanks. Water is piped to disposal facility. Operator's Name: New Mexico Salt Water Disposal Company Whitten Federal SWD #1 NE/4 SE/4 Sec 14 T20S-R34E (Primary Well) Operator's Name: AA Oil Field Services State AB #1 NE/4 NW/4 Section 3 T19S-R37E (Alternate Well) Permit #SWD 525 Whitten Federal SWD #1

NE/4 SE/4 Sec 14 T20S-R34E Permit #SWD 223 State AB #1 NE/4 NW/4 Section 3 T19S-R37E Petroleum Engineer 11-29-94 Tide

Approved b(ORIG. SG)

Title

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 CARLSBAD RESOURCE AREA

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 be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Oil and Gas 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 aboveground 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 or pits shall be covered with a wire screen or plastic/nylon netting to prevent entry by birds and other wildlife.
- 7. This approval does not constitute right-of-way approval for any off lease activities. If water is transported via a pipeline that extends beyond the lease boundary, 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.

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