P.O. BOX 1980 HC S, NEW MEXICO 88249

Form 3160-5 (June 1990)

Approved by ORIG.

Conditions of approval, if any:

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT IPR

RECEIVED

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

5. Lease Designation and Serial No.

NMLC032714A SUNDRY NOTICES AND REPORTS ON WELLS, OF 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to hot ifferent jets hoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Oil Well 8. Well Name and No. U Other 2. Name of Operator R. L. Gates #1 9. API Well No. Tenison Oil Company 3. Address and Telephone No 30-025-09619 10. Field and Pool, or Exploratory Area 8140 Walnut Hill Ln. #601, Dallas, Tx. 75231 (214) 363-5005 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Jalmat 660 FNL + FWL 11. County or Parish, State NW 4 of NW 4 of Sec. 23, TWP. 24S, RNG. 36E Lea, New Mexico 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Final Abandonment Notice Conversion to Injection Altering Casing __ Dispose Water Other Non-Compliance Notice (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) # PAH-115-94 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.)* The following are answers to the questions on the ATTACHMENT to Incident of Non-Compliance #PAH-115-94. 1- Yates Formation 2- 17 Barrels of water per day 3- Latest water analysis sent on 3/21/94, received per Ms. Huthings 3/24/94 4- 210 Barrel Tank 5- H2O flowline 6- a) Tenison Oil Company b) J. L. Coates c) SWD, #4 d) NW/NW Sec. 10, TWP. 24S, Rng. 36E 7- Copy of Oil Conservation Division Form C-103 sent on 3/21/94, received per Ms. Hutchings on 3/24/94. March 29, 1994 Production Coordinator 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.

Title

PETROLEUM ENGINEEL

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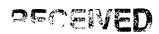
BUREAU OF LAND MANAGEMENT CARLSBAD RESOURCE AREA

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:

- 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.
- 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.
- 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.
- 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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