N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue UNITED STATTOSIA, NM 88210 FORM APPROVED Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-111985 6. If Indian, Allottee or Tribe Name 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 8. Well Name and No. 1. Type of Well Boddington Federal Unit #2 Oil Gas Well Well Other 9. API Well No. 2. Name of Operator 30-015-33680 Yates Petroleum Corporation 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. Indian Basin Morrow, Northwest 105 South 4th Street, Artesia, NM 88210 (505) 748-1471 4. Location of Well (Footage, Sec., T., R., M., or Survey Description 11. County or Parish, State Eddy County, New Mexico 1980' FSL & 1980' FEL (NWSE Unit J) Sec-17-T20S-R23E CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans New Construction Recompletion Subsequent Report Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Final Abandonment Notice Conversion to Injection Altering Casing (Note: Report results of multiple completion on We 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.)* Yates Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 0 Bbls of water per day from the Indian Basin Morrow, Northwest. The water will be stored in a 210-Fbgls tank and will be trucked by Mc Daniels Trucking to the Donahue Federal #1. Located at 10-20S-24E. SWD-377. If the system is down it will be trucked by the lowest bid company.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

14. I hereby certify that the foregoing a grue and correct Signed Title Production Secretary	Date_July 17, 2005	
(This space for Federal or State office use) Approved by (ORIG. SGD.) ALEXIS C. SHOBODA PETROLEUM ENGINEEF Conditions of approval, if any:	R Date JUL 2 6 20	05

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.

Accepted for record - NMOCD or representations as to any matter within its jurisdiction.