

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. ~~30-023-31048~~

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 LG-2265

7. Lease Name or Unit Agreement Name:
 Superior WA State

8. Well No.
 5

9. Pool name or Wildcat
 Wildcat Abo *oil/Saunders-Perm Penn*

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
 USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Yates Petroleum Corporation

3. Address of Operator
 105 South Fourth Street, Artesia, NM 88210

4. Well Location
 Unit Letter C : 660' feet from the North line and 1980' feet from the West line
 Section 11 Township 14S Range 33E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>	
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Surface Pool Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully requests approval for surface pool commingle the following wells:

Superior WA State #5 <i>(APR 31648)</i>	Superior WA State #1, 2, & 4. <i>(APR 28010)</i>
Formation: Wildcat/Abo	Formation: Saunders/Perm-Upper Penn <i>(29501)</i>
Lea County, New Mexico	Lea County, New Mexico
State Lease # LG-2265	State Lease # LG-2265

The battery is located at the Superior WA State #1. Please see attached plat and site facility diagram.

Oil & gas production/sales will be allocated based on wells test performed monthly.

Working interest owners are identical.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. Estimated daily production for the Superior WA State #5 is 8 bls of oil, and 26 mcf.

The purpose of the surface/pool commingling, lease commingling, off lease storage and measurement is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for each well. This will greatly increase costs and shorten the economic life of the well.

The proposed commingling is necessary for economic operation of the above referenced leases.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Mayte Reyes* TITLE Production Secretary DATE June 1, 2004
 Type or print name Mayte Reyes Telephone No. (505) 748-4213

(This space for State use)
 APPROVED BY *W. D. Jones* TITLE Engineer DATE 8/6/04
 Conditions of approval, if any: