

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Albuquerque, NM 88210

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS		5. Lease Designation and Serial No. NM-53219
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		6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation NMNM112743
1. Type of Well Oil <input type="checkbox"/> Well Gas <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other <input type="checkbox"/> 2. Name of Operator Yates Petroleum Corporation 3. Address and Telephone No. 105 South Fourth Street, Artesia, NM 88210 (505) 7481471 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660' FWL Section 1-T22S-R24E (Unit E, SENE)		8. Well Name and No. Whitbread BFG Federal Com #1 9. API Well No. 30-015-33932 10. Field and Pool, or Exploratory Area Indian Basin/Upper Penn. Assoc. 11. County or Parish, State Eddy County, NM
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION <input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	TYPE OF ACTION <input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other Addition to Off Lease Measurement, Surface/Lease Commingle	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing- <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water <small>(Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)</small>

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 respectfully request administrative approval for the addition to Off Lease Measurement, Surface/Lease Commingle previously filed on March 11th 2004.

Whitbread BFG Fed. Com #1
Sec 1 T22S R24E
Indian Basin/Upper Penn Assoc.
Eddy County, NM
Federal Lease # NM-53219
Com Agreement# NMNM112743

Mighty Mite AZF Federal Com #1
Sec 10 T22S R24E
Indian Basin/Upper Penn Assoc.
Eddy County, NM
Federal Lease # NM-91504
Com Agreement: NMNM 94495

Walt Canyon AMA Fed #1, & #2
Sec 3 T22S R24E
Indian Basin/Upper Penn Assoc.
Eddy County, NM
Federal Lease # NM-78213

The battery is located at the Walt Canyon AMA Fed #1. Please see attached plat and site facility diagram.

Oil will be transported off lease prior to measurement and will be measured by positive displacement, temperature compensated metering equipment. Gas will also be measured separately. Total sales volumes will be allocated back to individual wells based on daily well test.

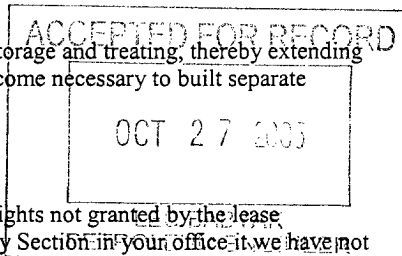
Interest owners have been notified.

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 Whitbread BFG Federal Com #1 is 0 bls of oil, and 20 mcf.

The purpose of the Off Lease measurement & Surface/Lease Commingling, 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 build 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.

We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

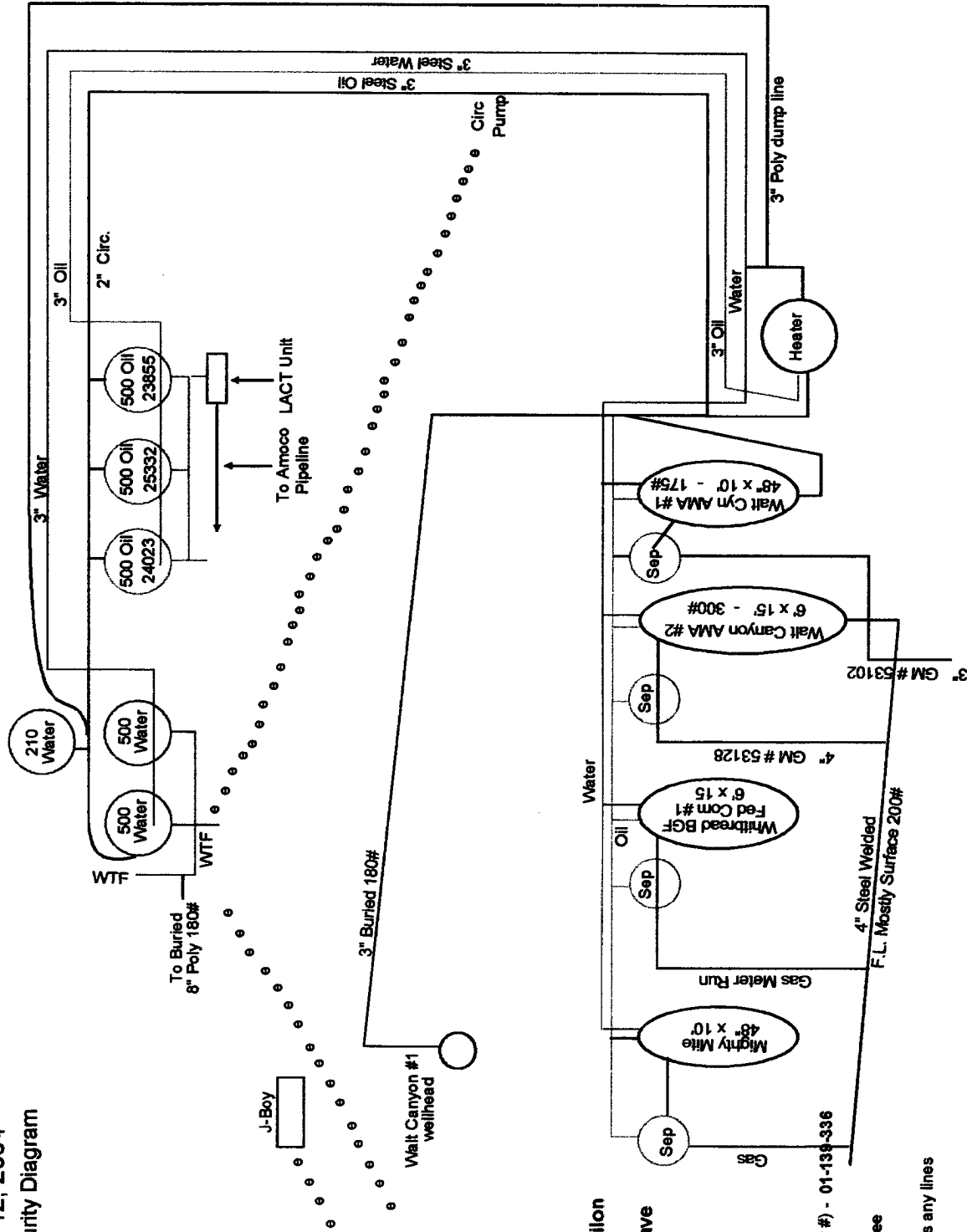


14. I hereby certify that the foregoing is true and correct	
Signed <u>Marta Benda</u> (This space for Federal or State office use)	Title Production Secretary
Approved by _____	Date September 17, 2005
Conditions of approval, if any:	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.	



**Lease #
990' FSL & 2310' FEL * Sec. 3-T22S-R24E * Unit
Eddy County, NM**

Sight Security Diagram



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan which is on file at 105 South 4th Street, Artesia, NM

DISTRICT I
1005 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Indian Basin Upper Penn Assoc.
Property Code	Property Name WHITBREAD "BFG" FEDERAL COM.	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3832

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	1	22S	24E		1980	NORTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Cy Cowan Printed Name Regulatory Agent Title December 9, 2004 Date
				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 11/17/2004 Date Surveyed Signature of Professional Surveyor Certificate No. Herschel Jones RLS 3640 WHITBREAD OSMERS SURVEYING COMPANY

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'