

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, 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

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

SUBMIT IN TRIPLICATE

1. Type of Well Oil Gas <input type="checkbox"/> Well <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other		RECEIVED MAR - 5 2004 OCD-ARTESIA	5. Lease Designation and Serial No. NMNM0437523
2. Name of Operator Yates Petroleum Corporation			6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 South 4 th Street, Artesia, NM 88210 (505) 748-1471			7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2175' FSL & 786' FWL Sec. 18-T18S-R30E			8. Well Name and No. Sand Tank 18 Fed Com #1
9. API Well No. 30-015-32439		10. Field and Pool, or Exploratory Area Sand Tank Morrow	11. County or Parish, State Eddy County, New Mexico
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing	
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off	
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection	
	<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Dispose Water	
(Note: Report results of multiple completion on Well 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 30 days a month 2 Bbls of water per day from the Sand Tank Morrow. The water will be stored in a 210 Fbgls tank and will be trucked by OK Hot Oil Water Service to the Burton Flats SWD #1. Located at 21-20S-29E. Order SWD #497. If the system is down it will be trucked by the lowest bid company.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

APPROVED
MAR 2 - 2004
LES BABYAK PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct

Signed Mayte Reyes Title Production Secretary Date January 16, 2004

(This space for Federal or State office use)

Approved by _____ Date _____
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.

*See Instruction on Reverse Side