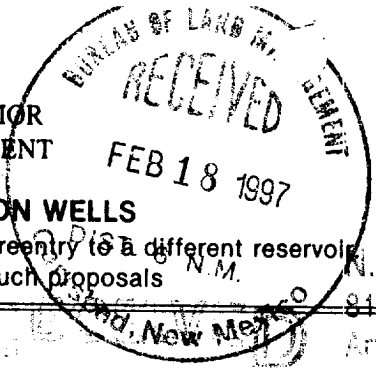


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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

dsf

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

5. Lease Designation and Serial No.
NM-38463

6. If Indian, Allottee or Tribe Name
N.M. Oil Cons. Division

81 S. 1st Street

7. If Unit or Co. Agreement Designation
Artesia No. 88240-2837

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Kaiser-Francis Oil Company

3. Address and Telephone No.

P. O. Box 21468, Tulsa, OK 74121-1468

918-491-4314

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SW SE (660' FSL & 1980' FEL) of Sec. 20-23S-31E

8. Well Name and No.

Pure Gold B Federal #1

9. API Well No.

35-015-23739

10. Field and Pool, or Exploratory Area

W. Sand Dunes (Atoka)

11. County or Parish, State

Eddy, NM

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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Approval of water disposal method</u>
	<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

(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.)*

This is to request approval of water disposal method for the above well. Please consider the following:

- Water production comes from the Atoka formation.
- Water production averages 1 bbl per day.
- Water is stored in a 300 bbl tank.
- Water is trucked to the disposal by Scurlock Permian Corporation.
- Disposal Facility - (Operator) Controlled Recovery, Inc.

(Facility) Halfway Disposal System
Sec. 27-20S-32E, Lea Co., NM
SWD #R-9166

6. Alternate disposal facilities:

Operator	Lease	S/T/R	SWD #
Rapid Transportation	Rapid SWD	10-25S-36E	R-7935
Marathon Subsurface	Govt E	25-19S-34E	SWD-559
Scurlock Permian	Rohmer SWD	23-22S-27E	SWD-505
H&M Inc.	Mayme Graham	09-15S-36E	R-7960
Corrine Grace Inc.	Salty Bill	36-22S-26E	SWD-118
	James #1	19-23S-32E	SWD-486

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

Signed David B. Glass Title Technical Coordinator

Date 2/11/97

(This space for Federal or State office use)

Approved by (ORIG. SGD.) DAVID B. GLASS

Title PETROLEUM ENGINEER

Date MAR 03 1997

Conditions of approval, if any: