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

UNITED STATES Artesia, NM 88210
DEPARTMENT OF THE INTERIOR

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

Non-Routine Fracturing

Conversion to Injection

Water Shut-Off

Dispose Water

Form 3160-5

(June 1990) BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM-78213 SUNDRY NOTICES AND REPORTS ON WELLS 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 RECEIVED 8. Well Name and No. Type of Well Oil Walt Canyon AMA Federal #6 APR 0 9 2004 Well Well Other 9 API Well No. 9 API Well No. 9 API Well No. 15-32997-00-X1 2. Name of Operator Yates Petroleum Corporation 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. 105 South 4th Street, Artesia, NM 88210 (505) 748-1471 Indian Basin Upper Penn Assoc. 4. Location of Well (Footage, Sec., T., R., M., or Survey Description 11. County or Parish, State 1865'FNL & 2002'FEL of Sec. 3-T22S-R24E (SWNE) Eddy County, New Mexico 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 Recompletion New Construction Subsequent Report

(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.)*

Plugging Back Casing Repair

Altering Casing

Other.

Yates Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 2000 Bbls of water per day from the Indian Basin Upper Penn Assoc. The water will be stored in a 2 1000 Fbgls tank and will be pipeline to the to the Indian Basin Water System, Dagger Draw Water System, Archimedes SWD #1. Located at 18-21S-24E. Order SWD-814-A. If the system is down it will be trucked by the lowest bid company.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Final Abandonment Notice

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14. I hereby certify that the foregoing is true and correct	₹ ¹	
Signed Moute Roses	Title Poduction Secretary	Date_April 6, 2004
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(This space of FSGD, SALEXIS C. SWCBQ	A Title PETROLEUM ENGINEER	APR 0 7 2004
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.