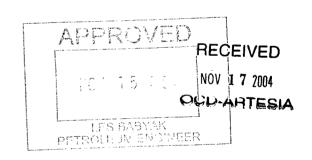
N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue

(**************************************	TMENT OF THE INTERIOR OF LAND MANAGEMENT	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		Lease Designation and Serial No. NM-27729 If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1. Type of Well Oil Gas Well Well Other		8. Well Name and No. Baetz BDU Federal #1
2. Name of Operator Yates Petroleum Corporation		9. API Well No. 30-015-33438
3. Address and Telephone No. 105 South 4 th Street, Artesia, NM 88210 (505) 748-1471		10. Field and Pool, or Exploratory Area Nash Draw Delaware
4. Location of Well (Footage, Sec., T., R., M., or Survey Description 430' FSL & 2180' FEL (Unit O – SWSE) Sec-19-T23S-R30E		11. County or Parish, State Eddy County, New Mexico
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, TYPE OF SUBMISSION TYPE OF ACTION		REPORT, OR OTHER DATA
Notice of Intent	Abandonment	Change of Plans
Subsequent Report	Recompletion Plugging Back	New Construction Non-Routine Fracturing
Final Abandonment Notice	Casing Repair Altering Casing Other	Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)
drilled, give subsurface locations and measured and true v	vertical depths for all markers and zones pertinent to this wor	,
i ales renoiemn Corporation is suc	mining application for produced water put	rsuant to Order #7 and requests your approval.

The well at present produces 350 Bbls of water per day from the Nash Draw Delaware. The water will be stored in 2 500 Fbgls tanks and will be trucked by Riverside Trucking to the Flamenco SWD #1. Located at 7-22S-32E. Order SWD #428. If the system is down it will be trucked by the lowest bid company.

> RECEIVED NOV 1 7 2004 OOP-AHTESIA



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14. I hereby certify that the foregoing is true and dorrect Signed	Title-Production Secretary	Date November 9, 2004
(This space for Federal or State office use) Approved by Conditions of approval, if any:	Title	Date

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.