

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-01
Expires August 31, 1985
LEASE DESIGNATION AND SERIAL NO.

clsf

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Yates Petroleum Corporation ✓	8. FARM OR LEASE NAME Cities UO Federal
3. ADDRESS OF OPERATOR 105 South 4th Street, Artesia, New Mexico 88210	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNL & 860' FEL	10. FIELD AND POOL, OR WILDCAT Pecos Slope Abo
14. PERMIT NO. API #30-005-61898	11. SEC., T., R., OR BLK. AND SURVEY OR AREA 7-5S-25E
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3901.8' GR	12. COUNTY OR PARISH Chaves
	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) Off Lease Measurement	X	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. 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 request seeks approval for off-lease measurement of natural gas from the subject well. Transwestern Pipeline Company agreed to transport gas from this well if Yates would build a gathering line to deliver the gas to existing Transwestern pipeline facilities. The gas sales meter will be read and maintained by Transwestern, but the meter is located nearby off-lease (see attached map). Yates will maintain the gathering flow lines in a safe condition and will pay royalty due on gas lost to leaks or failures based on the preceeding 30-day average rate. Yates will obtain all necessary rights-of-way before installing flow lines. All separation and liquid storage and sales facilities will be located on the originating lease. Yates believes that off-lease measurement is necessary for this well as the only practical way to bring this gas to market with attendant economic benefit to working interest owners, royalty owners and the public through production taxes.



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

SIGNED Theresa Padilla TITLE Engineer in Training DATE January 9, 1989

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
PETER W. CHESTER
FEB 28 1989
BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

*See Instructions on Reverse Side