

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NM Oil Cons. Commission
Artesia, NM 88210

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

45F

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	5. LEASE DESIGNATION AND SERIAL NO. NM 10458
2. NAME OF OPERATOR Yates Petroleum Corporation	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 105 South 4th St., Artesia, NM 88210	7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 660' FSL & 1980' FWL, Sec. 3-T8S-R25E	8. FARM OR LEASE NAME Duncan LH Federal
14. PERMIT NO. API #30-005-61922	9. WELL NO. 3
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3632.8' GR	10. FIELD AND POOL, OR WILDCAT Pecos Slope Abo
O. C. D. ARTESIA, OFFICE	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit N, Sec. 3-T8S-R25E
	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"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	(Other) Central Delivery Point Wells	<input checked="" type="checkbox"/>
(Other)	<input type="checkbox"/>	(NOTE: Report results of multiple completion on Well Completion or Reconpletion 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.) *

Due to economic conditions with gas purchaser, Yates Petroleum Corporation has been required to lay gathering lines and set allocation meters at each well that produces into a common line. We request approval to commingle the following wells:

Duncan LH Federal #2, located NW/SE, Sec. 3-T8S-R25E
Duncan LH Federal #3, located SE/SW, Sec. 3-T8S-R25E

The gas is measured prior to measurement for sales for marketing gas to the pipeline company. The sales point is located at the Duncan LH Federal #3, Sec. 3-8S-25E.

Yates Petroleum Corporation conducts quarterly calibration tests on all meters. Test results will be furnished to the Bureau of Land Management upon request.

Transwestern Pipeline Company conducts quarterly tests on TW's meters and semi-annual gas analysis tests.

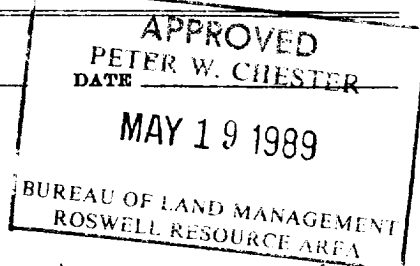
18. I hereby certify that the foregoing is true and correct

SIGNED Peter W. Chester TITLE Production Supervisor DATE 5-11-89

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:



*See Instructions on Reverse Side