

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions
on reverse side)

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

MISSION STATE DESIGNATION AND SERIAL NO.

NM-10458

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.)

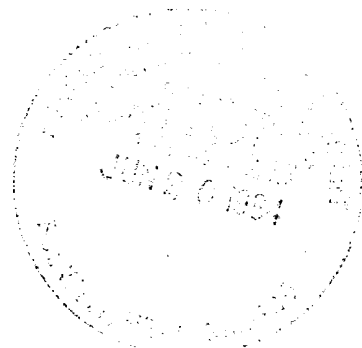
1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Yates Petroleum Corporation	7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 207 S. 4th, Artesia, New Mexico 88210	8. FARM OR LEASE NAME Duncan "LH" Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface see attached map	9. WELL NO. 2
14. PERMIT NO.	10. FIELD AND POOL, OR WILDCAT Pecos Slope Abo
15. ELEVATIONS (Show whether DF, RT, GR, etc.)	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 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"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other) <u>amend surface use plan</u>		(Other)	

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.)*

Amend surface use plan to include 2 7/8" gas gathering line for the purpose of selling gas from the above referenced well. As can be seen on the attached map, the line will be laid on the surface going from the Duncan #3 north and east to the Duncan #2, where Transwestern will set the meterhouse. The line will parallel the access road and will be laid from 15-25' from the road in heavy mesquite. Approximately 1900' of line will be laid on federal surface.



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

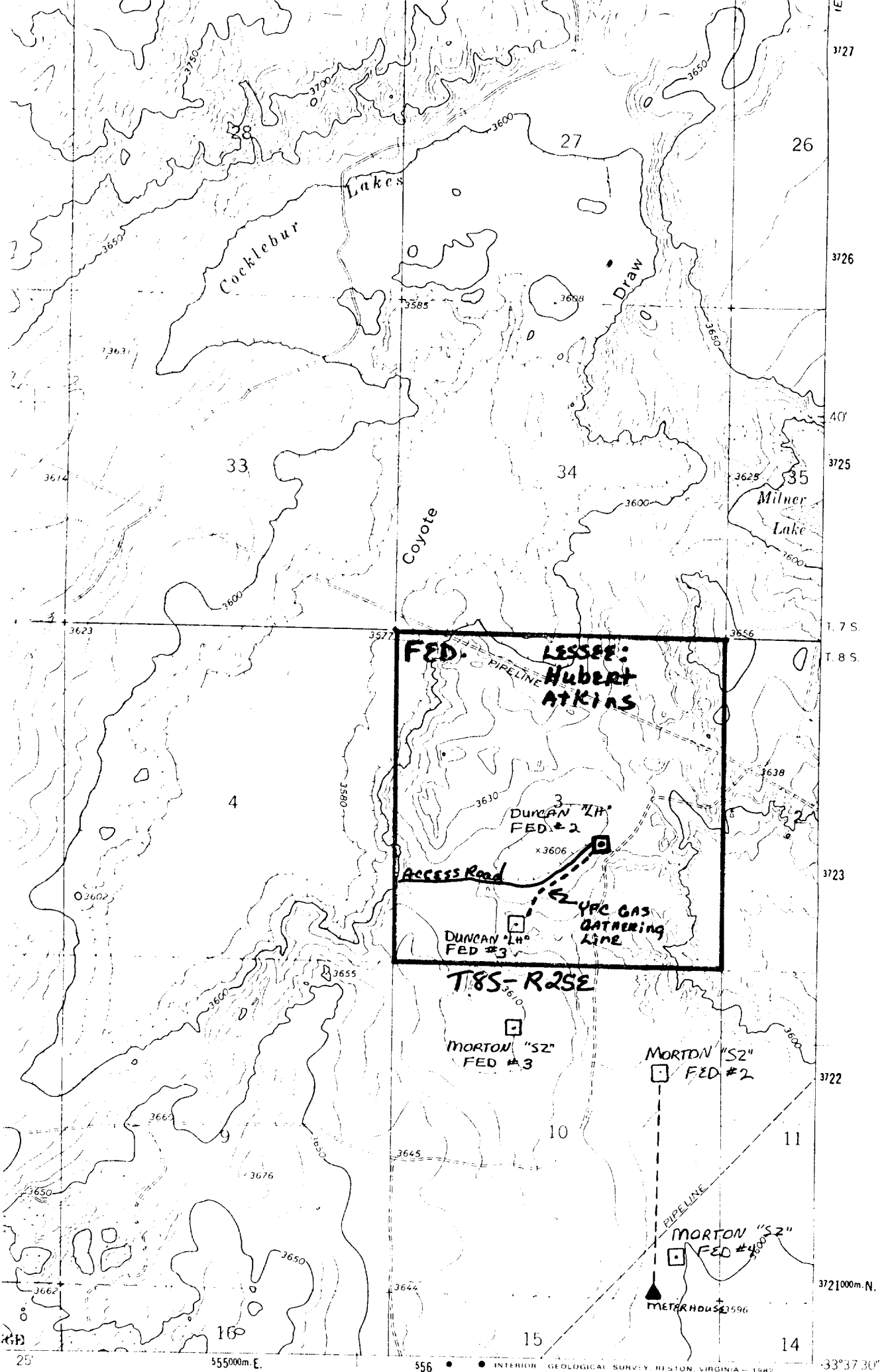
SIGNED Arleta L. Willbourn TITLE Regulatory Secretary DATE 6/14/84

(This space for Federal or State office use)

APPROVED BY Shirley M. H. [Signature] TITLE DATE JUL 6 1984

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side



ROAD CLASSIFICATION

Light-duty Unimproved dirt



COYOTE DRAW, N. MEX.

N3337 5-W10422 5/7 5

1963

PHOTOREVISED 1982

DMA 5151 III NW SERIES V881

WELL NAMES: Duncan "LH" Fed #2 Pipeline

OIL & GAS LEASE NUMBER NM 10458

STANDARD STIPULATIONS FOR PIPELINES AND UNDERGROUND CABLES
IN THE ROSWELL RESOURCE AREA, BLM

Operator will comply with the following stipulations to the satisfaction of the BLM's Roswell Resource Area Manager:

1. Clearing and blading necessary for construction will be held to the absolute minimum. Without prior agreement, these actions will not exceed those limits agreed upon at the pre-construction inspection. Vegetation removed will be "walked-down" in place.
2. Care will be taken by the operator to assure that scenic values are not damaged in the disposal of waste materials. Any large rocks which are left as a result of construction activities will be placed so that they do not detract from the scenic view and do not hinder the movement of livestock or of big game animals. These residual rocks will not be piled or left in rows.
3. Roads will not be constructed where terrain features permit vehicles to maneuver without the aid of such construction. All vehicular traffic and construction activity will be confined to the authorized area.
4. If a natural barrier which is being used for livestock control, is broken during construction, the operator will adequately fence the area to prevent drift of livestock. Such fencing will be at his own expense.
5. To prevent slacking of fence wire, the operator will brace and tie-off each existing fence to be crossed, before cutting. During construction, the opening will be protected to prevent the escape of livestock. Fences which have been cut during construction will be restored by the operator to a condition which is equal to, or better, than the original. Cattleguards and adjacent gates which are of a suitable width will also be installed in any fence where a road created during construction is to be regularly traveled.
6. Gates or cattleguards on public lands will not be locked or closed to public use by the operator.
7. Compatible with construction requirements, the period of time that trenches and other excavations are kept open by the operator will be held to a minimum.
8. Operator (~~will~~) (will not) reseed. If reseeding is required, it will be done according to the following requirements for BLM's Roswell District:

<input type="checkbox"/> seed mixture 1	<input type="checkbox"/> seed mixture 3
<input type="checkbox"/> seed mixture 2	<input checked="" type="checkbox"/> seed mixture 4
9. All above-ground structures which are not subject to safety requirements, will be painted by the operator to blend with the natural landscape. The paint used will be a color which simulates Federal Standard No. 595A:

<input checked="" type="checkbox"/> color 30318	<input type="checkbox"/> color _____
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10. In those areas where erosion control structures are required to stabilize soil conditions, the operator will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

11. Upon abandonment of the well(s) to be connected, the operator will comply with those abandonment procedures as prescribed by BLM's Roswell Resource Area Manager.

12. The operator will make a diligent effort to contact the BLM grazing permittee or lessee prior to entering the public lands on all grazing allotments.

13. Special Stipulations:

- a. Signs, which at a minimum (1) warn of the gas pipeline and (2) state the name of the operator, will be placed at the following locations:
 - 1) Where the line leaves the #2 Duncan location.
 - 2) Where the line enters the #3 Duncan pad.
- b. Any off-lease measurement requires approval of the authorized officer, BLM. Contact Pete Chester at 624-1790.
- c. Construction disturbance will not exceed 15 feet in width.
- d. No blading or clearing will be allowed.
- e. All applicable terms, conditions and stipulations of the Permit to Drill for the #2 Duncan "LH" Federal Well will also apply to this authorization.