| Formerly,9-331) DEPART BURE | | RIGRANGE DB) NT Artesia. NM 85:10 | 5. LEASE DESIGNATION Federal NM | AND SERIAL NO. |
|---|--|---------------------------------------|---|----------------|
| (Do not use this form for prop | TICES AND REPORTS Deals to drill or to deepen or plug CATION FOR PERMIT—" for such | ON WELLS | 6. IF INDIAN, ALLOTTER | OR TEIBE NAME |
| OIL CAB THEE OTHER | | RECEIVED | 7. UNIT AGREEMENT NA | ME |
| NAME OF OPERATOR | | · · · · · · · · · · · · · · · · · · · | 8. PARM OR LEASE NAME | |
| Yates Petroleum Corporation 💙 | | | Filaree "AEL" Federal | |
| ADDRESS OF OPERATOR | | JAN 20 '88 | 9. WBLL NO. | |
| | | | #1 | |
| LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) | | | 10. FIBLD AND POOL, OR WILDCAT | |
| At surface | | ARTESIA, OFFICE | Pecos Slop | e Abo |
| 660S + 1650E Sec. 33-8S-26E | | | 11. BEC., T., B., M., OR BLK. AND SURVEY OR AREA | |
| | | | 33-85-26E | |
| PERMIT NO. | 15. ELEVATIONS (Show whether I | DF, RT, GR, etc.) | 12. COUNTY OR PARISE | 18. STATE |
| API #30-005-62486 | 3850.1' GR | | Chaves | NM |
| Check A | ppropriate Box To Indicate | Nature of Notice, Report, or C | Other Data | |
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | | |
| TEST WATER SHUT-OFF | PULL OR ALTER CASING | WATER SHUT-OFF | REPAIRING W | |
| FRACTURE TREAT | MULTIPLE COMPLETE | PRACTURE TREATMENT | ALTERING CA | ···· [] |
| SHOOT OR ACIDIZE | ABANDON* | SHOOTING OR ACIDIZING | ABANDONMEN | |
| REPAIR WELL | CHANGE PLANS | (Other) | _ | |
| REPAIR WELL | | | of multiple completion of | |

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.

| | | $\mathbb{R}^{n} : \mathbb{R}^{n} \to \mathbb{R}^{n}$ |
|---|--|--|
| 13. I hereby certify that the foregoing is true and correct SIGNED Lave Boulau | TITLE Engineering Manager | DATE January 7, 1988 |
| (This space for Federal or State office use) | | |
| APPROVED BY CONDITIONS OF APPROVAL, IF ANY : | TITLE | DATE APPROVED |
| | | JAN 1 9 1988 |
| *Se | I OFMEN | |
| Title 18 U.S.C. Section 1001, makes it a crime for an | : NV person knowingly and willfully to make to an | BUREAU OF LAND MANAGEMEN |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any dependent in agency of the United States any faise, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OFF-LEASE MEASUREMENT

