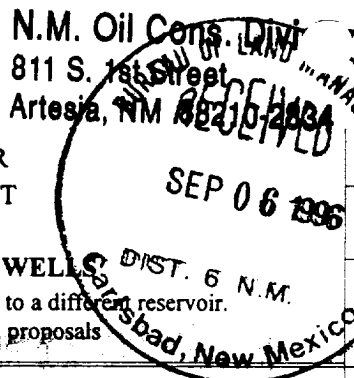


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
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

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-82845
2. Name of Operator YATES PETROLEUM CORPORATION	6. Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 S. 4th Street, Artesia, NM 88210 (505) 748-1471	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit O, SWSE 600' FSL & 1980' FEL Sec.10-T19S-R25E	8. Well Name and No. Polo AOP Federal Com #6
	9. API Well No. 30-015-28871
	10. Field and Pool, or Exploratory Area Dagger Draw Upper Penn, North
	11. County or Parish, State Eddy, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)		

13. 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.)*

Yates Petroleum Corporation is submitting application for produced water from the above well pursuant to Order #7 and requests your approval. The well at present produces 1805 Bbls. of water per day from the Dagger Draw Upper Penn, North. The water will be stored in a 500 Bbl. fiberglass tank and will be disposed of by pipeline to the Roy AET #3 SWD, SESE, Sec. 7-T19S-R25E, SWD - 437.

See Attached.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Pamela S. Evans</u>	Title <u>Production Secretary</u>	Date <u>09/05/96</u>
(This space for Federal or State office use)		
Approved by <u>(ORIG. SGD) DAVID R. GLASS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>SEP 25 1996</u>
Conditions of approval, if any:		

SEE ATTACHED FOR
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 or to any matter within its jurisdiction.

ATTACHMENT #1

YATES PETROLEUM CORPORATION - STATE "CO" SWD DISPOSAL SYSTEM

The Yates State "CO" SWD water gathering system consists of nine (9) salt water injection wells approved for disposal of produced water. The nine (9) wells are listed below:

STATE "CO" #1, NE 1/4 SW 1/4, Section 36-T19S-R24E, Eddy County, NM
INJECTION INTERVAL: 10038 -11311' Devonian
APPROVED BY NMCCD ORDER NO. SWD-285

COTTON "MX" FEDERAL #1, NE 1/4 NW 1/4 Section 14-T19S-R25E, Eddy County, NM
INJECTION INTERVAL: 7686-7710' Canyon
APPROVED BY NMCCD ORDER NO. SWD-370

DONAHUE FEDERAL #1, SW 1/4 NW 1/4, Section 10-T20S-R24E, Eddy County, NM
INJECTION INTERVAL: 4296-4596' Abo
APPROVED BY NMCCD ORDER NO. SWD-377

STATE "D" #1, SE 1/4 SW 1/4, Section 16-T20S-R24E, Eddy County, NM
INJECTION INTERVAL: 9723-11052' Devonian - Bliss
APPROVED BY NMCCD ORDER NO. SWD-395

ROY AET #3, SE 1/4 SE 1/4, Section 7-T19S-R25E, Eddy County, NM
INJECTION INTERVAL: 9766-11110' Devonian and Ellenburger
APPROVED BY NMCCD ORDER NO. SWD-437

ROUTH NU #2, NW 1/4 NE 1/4, Section 14-T19S-R24E, Eddy County, NM
INJECTION INTERVAL: 8810-8878' Morrow
APPROVED BY NMCCD ORDER NO. SWD-399

MIMOSA AHS FEDERAL #1, NE 1/4 SE 1/4, Section 4-T20S-R24E, Eddy County, NM
INJECTION INTERVAL: 9515-11011' Mississippian, Devonian, Ellenburger
APPROVED BY NMCCD ORDER NO. SWD-408

MIMOSA AHS FEDERAL #4, SE 1/4 SW 1/4, Section 4-T20S-R24E, Eddy County, NM
INJECTION INTERVAL: 9860-11159' Devonian, Ellenburger and Bliss Sand
APPROVED BY NMCCD ORDER NO. SWD-476

HUMBLE SWD #1, SE 1/4 SE 1/4, Section 24-T20S-R24E, Eddy County, NM
INJECTION INTERVAL: 9600-11580' Ellenburger and Devonian (Open Hole)
APPROVED BY NMCCD ORDER NO. SWD-434