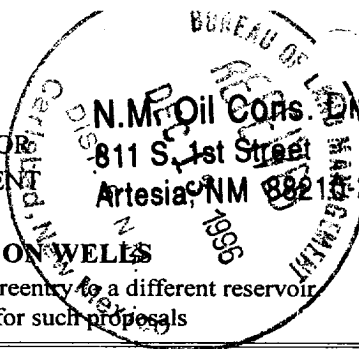


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

C/SF

**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<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | 2. Name of Operator<br><b>YATES PETROLEUM CORPORATION</b> | 3. Address and Telephone No.<br>105 S. 4th Street, Artesia, NM 88210 (505) 748-1471 | 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Unit M, SWSW 660' FSL & 660' FWL Sec. 34-T20S-R24E <b>BOTTOM HOLE LOCATION</b> | 5. Lease Designation and Serial No.<br>NM-045276 | 6. If Indian, Allottee or Tribe Name | 7. If Unit or CA, Agreement Designation | 8. Well Name and No.<br>Diamond AKI Federal #2 | 9. API Well No.<br>30-015-29125 | 10. Field and Pool, or Exploratory Area<br>Dagger Draw Upper Penn, South | 11. County or Parish, State<br>Eddy County, 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 direction 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 2811 Bbls. of water per day from the Dagger Draw Upper Penn, South. The water will be stored in a 500 Bbl. fiberglass tank and disposed of by pipeline to the State CO #1 SWD, Sec. 36-T19S-R24E, SWD-285.

See attachment.

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

Signed Ramela S. Evans Title Production Secretary Date 12/12/96

(This space for Federal or State office use)

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA Title PETROLEUM ENGINEER Date DEC 19 1996

Conditions of approval, if any: SEE ATTACHED FOR CONDITIONS OF APPROVAL

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 as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO 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 NMCCO ORDER NO. SWD-434

