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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONS COMMISSION
Drawer DD
Artesia, NM 88210

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

5. Lease Designation and Serial No.
NM 26823

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Box Canyon Unit #2

9. API Well No.
30-015-21997

10. Field and Pool, or Exploratory Area
Little Box Canyon-Morrow

11. County or Parish, State
Eddy, NM

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

APR - 4 1994

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2080' FNL, 1980' FWL, (Unit F) Sec. 13-T21S-R21E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Temporarily Abandon
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input 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 requests approval to carry this well in temporarily abandoned status for the following beneficial use reasons:

- 1) Potential SWD well use. Other wells in the area produce water which has to be trucked away. This well appears to be watered out in the Morrow after producing 2.4 BCF gas and might be used as a SWD well in the future.
2. Potential to restore Morrow gas production. It is possible that gas production could be restored by pumping water out of the well with a rod pump or electrical submersible pump. A nearby well will have to be converted to SWD service for this to be viable.
3. Recompletion potential uphole in the Permo-Penn. The Permo-Penn produces gas in most of the surrounding wells.

Due to the effect that low oil prices have had on our company and the uncertainty of future gas prices, we cannot justify doing any work on the well in the near future. It is uncertain when oil and gas prices will increase and stabilize to allow Yates' to justify further activities on this well.

We propose to schedule a casing integrity test during April or May.

TH APPROVED FOR 12 MONTH PERIOD

ENDING 4/1/95

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

Signed [Signature] Title Production Supervisor Date 3-10-94

(This space for Federal or State office use)

Approved by [Signature] Title PETROLEUM ENGINEER - Date 4/1/94

Conditions of approval, if any:

subject to a successful test performed within 90 days.