N.M. Oil Cons. DIV-Dist. 2

FORM APPROVED Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-94589 19172 6. If Indian, Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE RECEIVED 1. Type of Well 8. Well Name and No. Oil Gas Shirley YA Federal #1 Other MAY 2 5 2006 Well Well 9. API Well No. 2. Name of Operator とくしょれ向すほのい 30-005-62051 Yates Petroleum Corporation 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. 105 South 4th Street, Artesia, NM 88210 (505) 748-1471 Pecos Slope/Abo 4. Location of Well (Footage, Sec., T., R., M., or Survey Description 11. County or Parish, State 660' FNL & 1980' FWL (NWNE Unit B) Sec-33-T4S-R24E Chavez County, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection

(Note: Report results of multiple completion on Well completion of Recompletion on Recompletion of Recompletion of Recompletion of 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.)*

Other_

Yates Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 60 Bbls of water per day from the Pecos Slope/Abo. The water will be stored in 2 210 Fbgls tanks and will be transport by Jim Water Service to the Federal HJ #1 (Linda). Located at 31-6S-26E. Order R-5545. If the System is down it will be trucked by the lowest bid company.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Dispose Water

Accepted for record

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14. I hereby certify that the foregoing is true and correct Signed O O O O	Title Production Secretary	Date_May 22, 2006
(This spate of the state of the	Title PETROLEUM ENGINEER	Date MAY 2 / 2005

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.