

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0135  
Expires January 31, 2004

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

RECEIVED  
JUN 16 2006  
BUREAU OF LAND MANAGEMENT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Yates Drilling Company

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-8463

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

990' FSL & 990' FWL Section 34-17S-29E

5. Lease Serial No.

NM-96219

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Millennium 34 Fed Com #1

9. API Well No.

30-015-31833

10. Field and Pool, or Exploratory Area

Loco Hills, Bone Springs

11. County or Parish, State

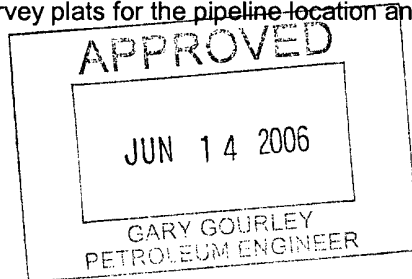
Eddy, NM

**12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Off-lease
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Measurement

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Drilling Company requests approval for Off-lease Measurement of the gas produced from this well. The gas produced will be the only product measured off-lease. The pipeline that will transport the gas is located in the SE/4SW/4 Section 33-17S-34E. The well produces approximately 40 MCFPD. We will lay 2" polypipe on the surface to the Duke Energy pipeline at the Perry Leonard Federal Battery. The total flow meter will be owned by Duke. I have attached the survey plats for the pipeline location and lease information.



14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Karen J. Leishman	Title Operations Tech.
Signature <i>Karen J. Leishman</i>	Date 6/7/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

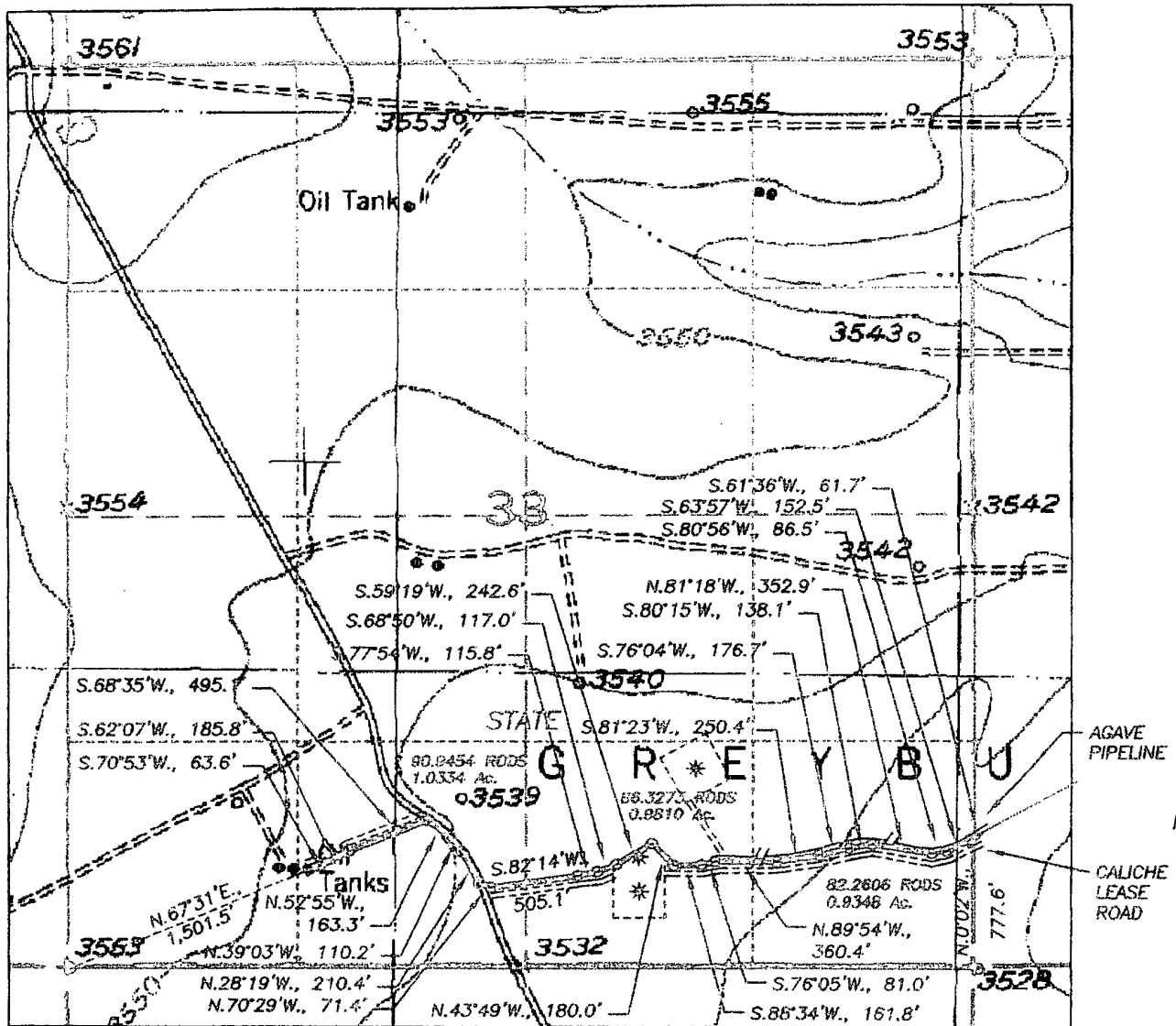
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

[illegible]

Survey Date: 4/21/2006	Sheet 1 of 2 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 4/25/06	Scale 1" = 1000' <b>MILLENNIUM</b>

SECTION 33, TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM, EDDY COUNTY, NEW MEXICO.



DESCRIPTION:

A SURFACE LOW PRESSURE GAS PIPELINE RIGHT OF WAY 30 FEET WIDE, BEING 15 FEET TO THE LEFT AND RIGHT OF THE FOLLOWING DESCRIBED SURVEY CENTERLINE;

BEGINNING AT A POINT LOCATED N.0°02'W., 777.6 FEET DISTANT FROM THE SOUTHEAST CORNER OF SECTION 33, TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM, EDDY COUNTY, NEW MEXICO; THENCE S.61°36'W., 61.7 FEET; THENCE S.63°57'W., 152.5 FEET; THENCE S.80°56'W., 86.5 FEET; THENCE N.81°18'W., 352.9 FEET; THENCE S.80°15'W., 138.1 FEET; THENCE S.76°04'W., 176.7 FEET; THENCE S.81°23'W., 250.4 FEET; THENCE N.89°54'W., 360.4 FEET; THENCE S.76°05'W., 81.0 FEET; THENCE S.86°34'W., 161.8 FEET; THENCE N.43°49'W., 180.0 FEET; THENCE S.59°19'W., 242.6 FEET; THENCE S.68°50'W., 117.0 FEET; THENCE S.77°54'W., 115.8 FEET; THENCE S.82°14'W., 505.1 FEET; THENCE N.70°29'W., 71.4 FEET; THENCE N.28°19'W., 210.4 FEET; THENCE N.39°03'W., 110.2 FEET; THENCE N.52°55'W., 163.3 FEET; THENCE S.68°35'W., 495.1 FEET; THENCE S.62°07'W., 185.8 FEET; THENCE S.70°53'W., 63.6 FEET TO A POINT LOCATED AT AN EXISTING PIPELINE STUB-OUT AND BEARING N.67°31'E., 1,501.5 FEET DISTANT FROM THE SOUTHWEST CORNER OF SAID SECTION 33.

SAID TRACT CONTAINS 2.9492 ACRES, MORE OR LESS, ALLOCATED BY FORTY ACRE TRACTS AS FOLLOWS; SE/4SE/4 82.2606 RODS, 0.9348 Ac.; SW/4SE/4 86.3273 RODS, 0.9810 Ac.; SE/4SW/4 90.9454 RODS, 1.0334 Ac., MORE OR LESS. 4,282.3 FEET = 259.5333 RODS, MORE OR LESS.

1000' 0 1000' 2000'

Scale 1" = 1000'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

HERSCHEL L. JONES No. 3640

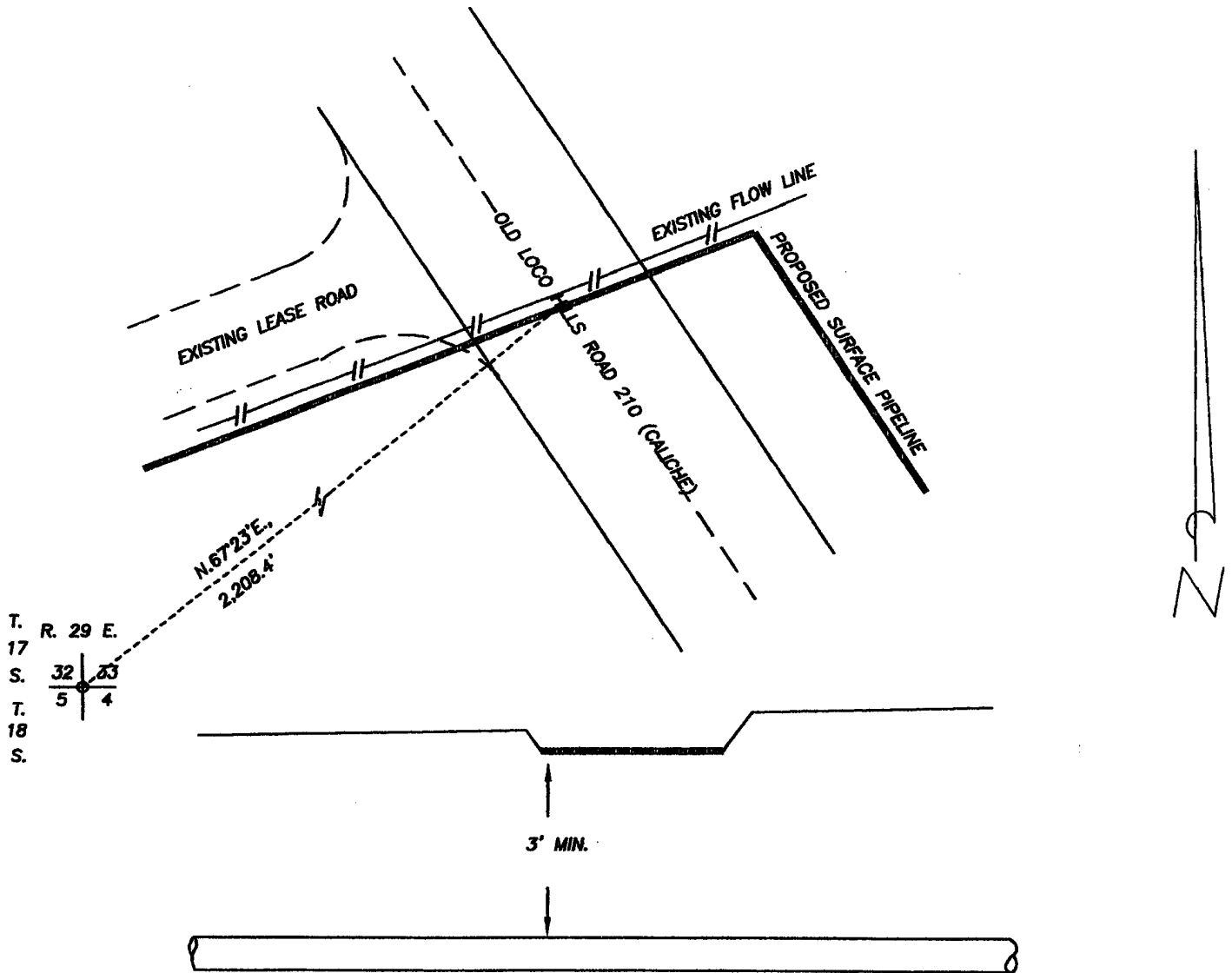
GENERAL SURVEYING COMPANY P.O. BOX 1928  
LOVINGTON, NEW MEXICO 88260

## YATES DRILLING COMPANY

A SURFACE LOW PRESSURE PIPELINE TO CONNECT THE YATES DRILLING COMPANY MILLENNIUM "34" FEDERAL COM.#1 WELL LOCATED IN SECTION 34, TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

Survey Date: 4/21/2006	Sheet 2 of 2 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 4/25/06	Scale 1" = 1000' MILLENNIUM

YATES DRILLING COMPANY PIPELINE CROSSING OF OLD LOCO HILLS ROAD (CR #210) LOCATED IN THE SE/4SW/4 OF SEC. 33, TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM, EDDY COUNTY, NEW MEXICO.



THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

HERSCHEL L. JONES, R.L.S. No. 3640

GENERAL SURVEYING COMPANY, P.O. BOX 1928  
LOVINGTON, NEW MEXICO 88260

**YATES DRILLING COMPANY**

PIPELINE CROSSING OF OLD LOCO HILLS ROAD (CR #210)  
LOCATED IN THE SE/4SW/4 OF SECTION 33, TOWNSHIP 17  
SOUTH, RANGE 29 EAST, NMPM, EDDY COUNTY, NEW  
MEXICO.

Survey Date: 4/21/2006	Sheet 1 of 1 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 4/25/06	Scale 1" = 25' <b>MILLENNIUM</b>