N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue

Form 3160-5

UNITED STATES, DEPARTMENT OF THE INTERIOR, NO. 181210

FORM APPROVED

Budget Bureau No. 1004-0135 (June 1990) Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-100831 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. 6. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT--" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Gas Oil Samuel Smith Unit #1 Well Well Other 2. Name of Operator 9. API Well No. Yates Petroleum Corporation 30-015-32581 3.Address and Telephone No. 10. Field and Pool, or Exploratory Area 105 South 4th Street, Artesia, NM 88210 (505) 748-1471 Crooked Creek Morrow 4. Location of Well (Footage, Sec., T., R., M., or Survey Description 11. County or Parish, State 1000' FSL & 760' FWL (Unit M SWSW) Sec-32-T23S-R24E Eddy County, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 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 Other Dispose Water

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 pursuant to Order #7 and requests your approval. The well at present produces 0 to 30 Bbls of water per day from the Crooked Creek Morrow. The water will be stored in a 210 Fbgls tanks and will be trucked by McDaniels Trucking to the Indian Basin Water System, Dagger Draw Water System, Archimedes SWD #1. Located at 18-21S-24E. Order SWD #814-A. If the system is down it will be trucked by the lowest bid company.

> RECEIVED NOV 1 7 2004 OGB-ARTESIA



completion or Recompletion Report and Log Form

14. I hereby certify that the foregoing is true and correct Signed	Title Production Secretary	Date_September 15, 2004
(This space for Federal or State office use) Approved by_ Conditions of approval, if any:	Title	Date

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.