Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELL

5 Lease Serial No.

Do not use this	or to re-enter an MAR		V -	NM427	M42787			
abandoned well.	abandoned well. Use Form 3160-3 (APD) for such proposals			DAR	TEST & Indian	787 n, Allottee or Tribe Name		
SUBMIT IN TRIE		7 If Unit or CA/Agreement, Name and/or No						
Type of Well Oil Well Gas Well Other PA						8. Well Name and No		
2. Name of Operator			<u>-</u>			o ACI Federal Com #2		
Yates Petroleum Corporation 3a Address 3b Phone No. (include area code)						9 API Well No. 30-015-27184		
105 S. 4th Str., Artesia, NM 88210 575-748-1471						10. Field and Pool or Exploratory Area		
4. Location of Well (Footage, Sec ,T.,R.,M., OR Survey Description)						Dagger Draw/Upper Penn		
	11 County	11 County or Parish, State						
660 FSL & 660 FEL (Unit P, SESE) Sec 10-T20S-R24E						Eddy		
12. CHECK APPROPI	RIATE BOX(ES) TO I	NDICATE NA	ATURE OF	NOTIC	CE, REPORT, C	OR OTHER DATA		
TYPE OF SUBMISSION		,	TON					
X Nonce of Intent	Acidize	Deepen	Т	一	duction (Start/Resume			
	Alter Casing Casing Repair	Fracture New Co	nstruction ,		clamation complete	Well Integrity Other		
Subsequent Report	Change Plans Plug and Abandon Temporan				nporanly Abandon	iy Abandon		
Final Abandonment Notice	Convert to Injection	Plug Bac	k	X Wa	ter Disposal			

13 Describe Proposed of Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof the proposal is to deepen directionally or recomplete 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 must be filed within 30 days following completion of the involved operations If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 Petroleum Corporation is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 0 of water per day from the Dagger Draw/Upper Penn. The water will be stored in 1-500 Fbgls tank and will be pipeline to the Mimosa Fed. SWD #4 located at Sec 4-20S-24E Order # SWD-474, or to the Mimosa Fed. SWD #3Y located at Sec 4-20S-24 Order # 645 or to the Mimosa Federal SWD #1 located at Sec 4-20S-24E Order # SWD-408, or to the Monsanto Foster SWD #1 located at 5-20S-25E Order # R-5158-B or to the King SWD #1 located at 9-20S-25E.

SUBJECT TO LIKE Accepted for receid APPROVAL BY STATE NMOCD AT 3/18/10			ACCI	FEB 2 6 2010					
I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mayte Reyes	Title	Production Clerk	BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE						
Signature Mate Reces	Date	February 19, 2010		CARESDAD FIELD OFFICE					
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 war certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon. Title 18 LLS C. Section 1001 and Title 43 LLS C. Section 1212, make it a crime for	Office								

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction