

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. DIV-7 t. 2
1301 W. Grana Avenue
Artesia, NM 88210

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

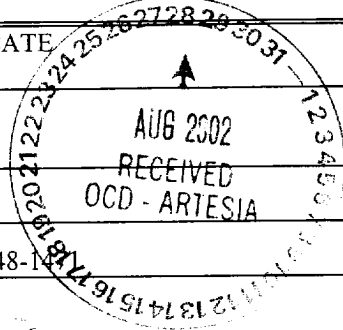
CLSF

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

| | |
|---|--|
| 1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input checked="" type="checkbox"/> Well <input type="checkbox"/> Well <input type="checkbox"/> Other | 5. Lease Designation and Serial No. NM-36646 |
| 2. Name of Operator Yates Petroleum Corporation | 6. If Indian, Allottee or Tribe Name |
| 3. Address and Telephone No. 105 South 4 th Street, Artesia, NM 88210 (505) 748-1418 | 7. If Unit or CA, Agreement Designation |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 860' FSL & 660' FWL | 8. Well Name and No. Marley Federal #1 |
| | 9. API Well No. 30-005-61630 |
| | 10. Field and Pool, or Exploratory Area Pecos Slope Abo |
| | 11. County or Parish, State Chavez, County, NM |



| | | |
|--|--|---|
| 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment | <input type="checkbox"/> Change of Plans |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Altering Casing | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> Other | <input checked="" 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 is submitting application for produced water pursuant to Order #7 and requests your approval. The well at present produces 0 Bbbls of water per day from the Pecos Slope Abo. The water will be stored in a 210 Fbgls tank and will be trucked by Jim Water Service to the Linda HJ SWD System Located at 31-6S-26E. Order R-5545. If the system is down it will be trucked by the lowest bid company.

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

Signed Marla Benes Title Production Secretary Date May 23, 2002

(This space for Federal or State office use)

Approved by P.E. Title P.E. Date 5/23/02

Conditions of approval, if any:

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.

*See Instruction on Reverse Side

RECORDED - NMBCU