Form 3160- 5 (August 1999)

.TED STATES DEPARTMENT OF THE INTERIOR Oil Cons. FORM APPROVED
OMB No. 1004- 0135
N.M. DIV-Dist. 2 Expires: November 30, 2000

FORM APPROVED

BUREAU OF LAND MANAGEMENT 1301 W. Grand Avenue

SUNDRY NOTICES AND REPORTS ON WELASTesia, Non-882 Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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1. Type of Well	_	30000	
Oil Well X Gas Well	Other	30101112233	8. Well Name and No.
2. Name of Operator		* *	Margene AWM Federal #2
Yates Petroleum Corporation		V	9. API Well No.
3a. Address		3b. Phone No. (include area could)	= 30-005-63488
105 South Fourth Street, Artesia, NM 88210		(505) 748-14RECEIVED	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		OCD - ARTESIA	Undesignated Foor Ranch, North
1980'FSL & 660'FEL of Section 20-T9S-R26E		3	11. County or Parish, State
			Chaves County, NM
			Chaves County, 14141
12. CHECK APPROPI	RIATE BOX(S) TO INDIC	CATE NATURE OF NOTICE PREPORT	
12. CHECK APPROPI	RIATE BOX(S) TO INDIC	CATE NATURE OF NOTICE REPORT	, OR OTHER DATA
	RIATE BOX(S) TO INDIC		, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTIO	, OR OTHER DATA
TYPE OF SUBMISSION	Acidize	TYPE OF ACTIO Deepen Production (Sta	, OR OTHER DATA N Water Shut-off
TYPE OF SUBMISSION X Notice of Intent	Acidize Altering Casing	TYPE OF ACTIO Deepen Production (Sta Fracture Treat Reclamation	Water Shut-off Well Integrity X Other Change in storage

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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation respectfully requests a variance to the special requirements on the APD (Section IX). We would like to set 15' storage facilities on this location.

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Title Tina L. Huerta Regulatory Compliance Supervisor Signature Date July 23, 2002 THIS SPACE FOR FEDERAL OR STATE OFFICE USE M SPERMUST Conditions of approval, if any are attacked. Approval of this notice does not warrant or Office 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

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 any department or agency of the United States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction.