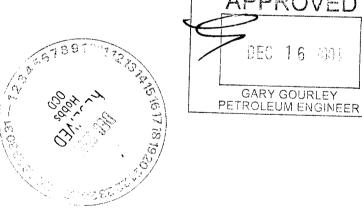
## New Mexico Oil Conservation Division, District I 1625 N. French Drive Hobbs. NM 88240

,	UNITED STATES TMENT OF THE INTERIOR OF LAND MANAGEMENT	FORM APPROVED  Budget Bureau No. 1004-0135  Expires: March 31, 1993	
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		5. Lease Designation and Serial No. NM78968-C NM78968-A NM90 6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation SW833	
1. Type of Well Oil Gas Well Well Other		8. Well Name and No. Grace Federal Com #1	
Name of Operator Yates Petroleum Corporation  3. Address and Telephone No.		9. API Well No. 30-025-24215 10. Field and Pool, or Exploratory Area	
105 South 4 <sup>th</sup> Street, Artesia, NM 88210 (505) 748-1471  4. Location of Well (Footage, Sec., T., R., M., or Survey Description		Wildcat Atoka  11. County or Parish, State	
1980' FNL & 1980' FEL (SWNE) Sec-20-T22S-R32E Unit G  12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE,		Lea County, New Mexico	
TYPE OF SUBMISSION	TYPE OF ACTION		
<ul><li>☑ Notice of Intent</li><li>☐ Subsequent Report</li><li>☐ Final Abandonment Notice</li></ul>	Abandonment Recompletion Plugging Back Casing Repair Altering Casing	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection	
	Other	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 6 Bbls of water per day from the Wildcat Atoka. The water will be stored in a 210 Fbgls tank and will be trucked by Rapid Trasportation to the Flamenco SWD #1. Located at 7-22S-32E. Order #428. If the system is down it will be trucked by the lowest bid company.			
		APPROVED	



Signed Signed CLASS True and correct	Title Production Secretary	Date_December 2, 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.

GWW