

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**OC RECEIVED**

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**MAR 02 2010**

**HOBBSOCD**

5 Lease Serial No  
**NMNM121957**

6 If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other PA

2 Name of Operator

**Yates Petroleum Corporation**

3a Address

3b Phone No (include area code)

**105 S. 4th Str., Artesia, NM 88210**

**575-748-1471**

4 Location of Well (Footage, Sec, T., R., M., OR Survey Description)

**330 FSL & 330 FWL (Unit M, SWSW) Sec 9-T21S-R32E**

7 If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**Capella BOP Federal #1**

9 API Well No

**30-025-39528**

10 Field and Pool or Exploratory Area

**Lost Tank/Delaware**

11 County or Parish, State

**Lea**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

**TYPE OF ACTION**

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☒ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleat 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 400-500 of water per day from the Lost Tank/Delaware. The water will be stored in 2- 500 Fbgl tanks and will be pipeline to the Bilbrey SWD #1 located at Sec 5-22S-32E Order # SWD-894, or to the Union Federal SWD #1 located at Sec 8-21S-32E Order # SWD-458.

**SUBJECT TO LIKE  
APPROVAL BY STATE**

**ACCEPTED FOR RECORD**

**FEB 26 2010  
/s/ JD Whitlock Jr**

**BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE**

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**Mayte Reyes**

Title

**Production Clerk**

Signature

Date

**February 9, 2010**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or 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.

Office

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

(Instructions on page 2)