

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
625 N. French Dr.
Hobbs, NM 88240
FORM APPROVED
NOV 2001
Expires November 30, 2000

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Yates Drilling Company

3a. Address 3b. Phone No. (include area code)
105 South 4th St., Artesia, NM 88210 505-746-0308

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 1997' FWL
Section 30-19S-32E

5. Lease Serial No.
NM-01218

6. If Indian, Allottee or Tribe Name
-

7. If Unit or CA/Agreement, Name and/or No.
CA SW-77

8. Well Name and No.
Elliott Hall B #2

9. API Well No.
30-025-20035

10. Field and Pool, or Exploratory Area
Lusk Delaware West

11. County or Parish, State
Lea County, NM

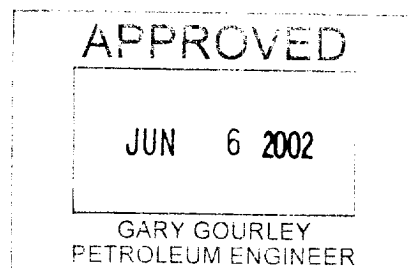
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well produces approximately 17 bbls. water per day and is stored in a 210 bbl. fiberglass tank on location. A produced water analysis is attached.

Water will be hauled by I&W, Inc. to the following:
Tennessee SWD
Section 21-19S-31E
Eddy County, NM
NM# R-8173



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Karen J. Leishman

Title Engineering Technician

Signature

Karen J. Leishman

Date 5-31-02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

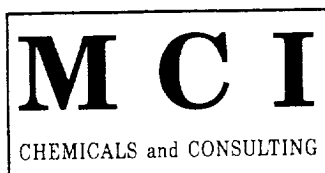
Title

Date

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



MILLER CHEMICALS, INC.

Post Office Box 298
Artesia, N.M. 88211-0298
(505) 746-1919 Artesia Office
(505) 393-2893 Hobbs Office
(505) 746-1918 Fax

WATER ANALYSIS REPORT

Company	: YATES DRILLING CO.	Date	: 5/20/02
Address	: ARTESIA, NM	Date Sampled	: 5/20/02
Lease	: ELLIOTT HALL "B"	Analysis No.	: 00438
Well	: #1		
Sample Pt.	: WATER TANK		

ANALYSIS		mg/L		* meq/L
1. pH	5.1			
2. H2S	0			
3. Specific Gravity	1.170			
4. Total Dissolved Solids		274412.9		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	183.0	HCO3	3.0
12. Chloride	Cl	172956.0	Cl	4878.9
13. Sulfate	SO4	100.0	SO4	2.1
14. Calcium	Ca	20800.0	Ca	1037.9
15. Magnesium	Mg	9049.1	Mg	744.5
16. Sodium (calculated)	Na	71304.8	Na	3101.6
17. Iron	Fe	20.0		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		89200.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	=	mg/L
+-----+	+-----+			
1038 *Ca <----- *HCO3 3	Ca (HCO3) 2	81.0	3.0	243
----- /-----> -----	CaSO4	68.1	2.1	142
744 *Mg -----> *SO4 2	CaCl2	55.5	1032.8	57312
----- <-----/ -----	Mg (HCO3) 2	73.2		
3102 *Na -----> *Cl 4879	MgSO4	60.2		
+-----+	+-----+			
	MgCl2	47.6	744.5	35441
Saturation Values Dist. Water 20 C	NaHCO3	84.0		
CaCO3 13 mg/L	Na2SO4	71.0		
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	3101.6	181255
BaSO4 2.4 mg/L				

REMARKS:

SCALE TENDENCY REPORT

Company : YATES DRILLING CO. Date : 5/20/02
Address : ARTESIA, NM Date Sampled : 5/20/02
Lease : ELLIOTT HALL "B" Analysis No. : 00438
Well : #1 Analyst : A. MILLER
Sample Pt. : WATER TANK

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. = -0.3 at 70 deg. F or 21 deg. C
S.I. = -0.3 at 90 deg. F or 32 deg. C
S.I. = -0.3 at 110 deg. F or 43 deg. C
S.I. = -0.3 at 130 deg. F or 54 deg. C
S.I. = -0.3 at 150 deg. F or 66 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S = 645 at 70 deg. F or 21 deg C
S = 694 at 90 deg. F or 32 deg C
S = 727 at 110 deg. F or 43 deg C
S = 739 at 130 deg. F or 54 deg C
S = 739 at 150 deg. F or 66 deg C

Respectfully submitted,
A. MILLER