

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

FORM APPROVED
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

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-81274
2. Name of Operator YATES PETROLEUM CORPORATION	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 S. 4th Street, Artesia, NM 88210 (505) 748-1471	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UnitB, NWNE 330' FNL & 1650' FEL Sec. 1-T23S-R32E	8. Well Name and No. Thyme APY Federal #1
	9. API Well No. 30-025-33370
	10. Field and Pool, or Exploratory Area Red Tank Bone Springs
	11. County or Parish, State Lea, NM

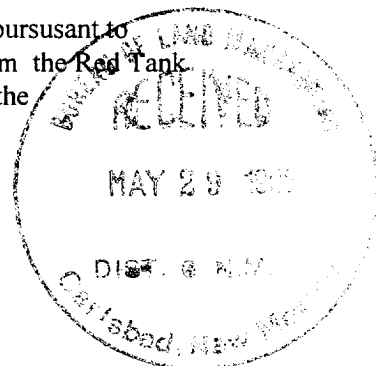
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 from the above well pursuant to Order #7 and requests your approval. The well at present produces 75 Bbls. of water per day from the Red Tank Bone Springs. The water is stored in a 500 Bbl. fiberglass tank and disposed of by pipeline to the Kiwi AKX St. #8 SWD, Unit F, SENW, Sec. 16-T22S-R32E, SWD-510.



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

Signed <u>Pamela S. Evans</u>	Title <u>Production Secretary</u>	Date <u>05/28/96</u>
(This space for Federal or State office use)		
Approved by <u>(ORIG. SGD.) JOE G. LARA</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>7/16/96</u>
Conditions of approval, if any: <u>See attached.</u>		

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

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Disposal of Produced Water From Federal Wells

Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Oil and Gas Order No. 7.
3. This agency shall be notified of any spill or discharge as required by WTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All aboveground structures on the lease shall be painted sandstone brown, Federal Std. 595-20318, or 30318, within 90 days if you have not already done so.
6. Any on lease open top storage tanks or pits shall be covered with a wire screen or plastic/nylon netting to prevent entry by birds and other wildlife.
7. This approval does not constitute right-of-way approval for any off lease activities. If water is transported via a pipeline that extends beyond the lease boundary, you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.