

District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-005-63722

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-5525

7. Lease Name or Unit Agreement Name:

Tide AXT State Com.

8. Well No.

1

9. Pool name or Wildcat

Foor Ranch; Pre Permian

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas ☒ Other

RECEIVED

2. Name of Operator

Yates Petroleum Corporation

DEC - 9 2005

ODD-ARTESIA

3. Address of Operator

105 South Fourth Street, Artesia, New Mexico 88210

4. Well Location

Unit Letter: P : 660 feet from the South line and 660 feet from the East line
Section 32 Township 9S Range 26E NMPM County Chaves

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3768' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Extend APD ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation wishes to extend the captioned well's APD expiration date for one (1) year to January 6, 2007. A drilling pit will be constructed at this well site under Yates Petroleum Corporation general plan approved by the OCD. C-144 attached. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Basement formation to meet the OCD's minimum requirements for the submission of a contingency plan per rule 118. Thank you.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Debbie S. Caffall TITLE Regulatory Agent DATE 12/05/05

Type or print name Debbie Caffall Telephone No. (505) 748-4376

(This space for State use)

APPROVED BY Jim W. Green TITLE District II Supervisor DATE DEC 13 2005

Conditions of approval

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
March 12, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes xx No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Yates Petroleum Corporation Telephone: (505) 748-1471 e-mail address: debbiec@ypcnm.com

Address: 105 South 4th Street, Artesia, New Mexico 88210

Facility or well name: Tide AXT State Com. #1 API #: U/L or Qtr/Qtr P Sec 32 T 9S R 26E

County: Chaves Latitude Longitude NAD:1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness mil Clay ☐ Volume 20,000 bbl

Below-grade tank

Volume: bbl Type of fluid:

Construction material:

Double-walled, with leak detection? Yes ☐ If not, explain why not.

RECEIVED

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 Feet or more

(0 points)

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UU-ARTESIA

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

10 points

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date: December 5, 2005

Printed Name/Title Debbie Caffall / Regulatory Agent / Land Department Signature

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 12-13-05

Gerry Guye

Printed Name/Title

Compliance Officer

Signature