

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

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.)		WELL API NO. 30-015-28415
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. Federal NMNM111025X
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name NDDUP Unit
4. Well Location Surface H : 1980 feet from the North line and 660 feet from the East line BHL A : 1067 feet from the North line and 570 feet from the East line Section 28 Township 19S Range 25E NMPM Eddy County		8. Well Number 116H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3471'GR		9. OGRID Number 025575
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat North Dagger Draw Upper Penn
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. 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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. 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 respectfully requests permission to temporarily abandon this well as follows:

Will notify Carlsbad BLM at least 24 hrs prior to job

Will notify Artesia NMOCD at least 24 hrs prior to job

1. Rig up safety trailer as necessary. TOO H with tubing and lay down TAC, SN, perf sub, mud joint with bull plug and all but 6155' of tubing.

2. RIH with gauge ring and junk basket to +/-7550'.

3. Set a 7" CIBP at 7545' with 35' cement on top.

4. Load hole with packer fluid and test to 500 psi.

5. Perform MIT and record the date, duration, PSI data and OCD representative contacted and whether present or absent during the test.

Notify OCD 24hrs prior.

CONTINUED ON NEXT PAGE:

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE December 20, 2006

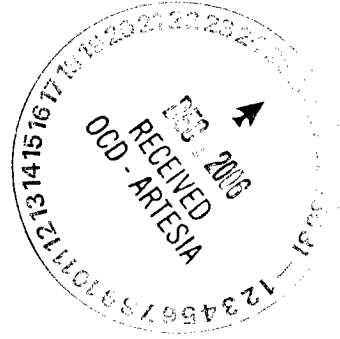
Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only

APPROVED BY: Gerry Guye TITLE Deputy Field Inspector DATE JAN 3 2007
Conditions of Approval (if any): District II - Artesia

Yates Petroleum Corporation
NDDUP #116H
Section 28-T19S-R25E
Eddy County, New Mexico

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Form C-103 continued:

This well is in the North Dagger Draw Upper Penn Unit, which was approved in 2005 for the purpose of waterflooding the unitized Canyon formation. Water injection started on September 15, 2005 in a limited area of the unit identified as the Phase 1A area. This was intended as a demonstration of the effectiveness of the waterflood, to be followed by waterflood expansion into the Phase 1B and Phase 2 areas. The NDDUP Unit #116H well is in the Phase 2 area, which will be the last part of the waterflood to be developed. It will not be economical to produce until then.

The phase 1B expansion of the waterflood is currently on hold while the performance of the Phase 1A area is being actively evaluated and modifications to the original development plan are being considered. The estimated date of production will depend on approval of the expansion by the unit working interest owners and on additional evaluation and testing.

Regulatory Compliance Supervisor
December 20, 2006