

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT **OCD-ARTESIA**

FORM APPROVED
OMB No 1004-0135
Expires November 30, 2000



SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter 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
JUN 29 2007
2. Name of Operator
Yates Petroleum Corporation 025575 **OCD-ARTESIA**
3a Address 3b. Phone No (include area code)
105 South Fourth Street, Artesia, NM 88210 (505) 748-1471
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
214' FNL & 1561' FEL, Unit B SHL T22S, R24E, Sec. 10
660' FNL & 1980' FEL BHL

5 Lease Serial No.
NM-78213
6. If Indian, Allottee or Tribe Name
Not Applicable
7 If Unit or CA/Agreement, Name and/o
29687
8 Well Name and No.
Walt Canyon AMA Federal Com #8
9. API Well No
30-015-34982
10. Field and Pool, or Exploratory Area
Indian Basin Upper Penn Associate
11. County or Parish, State
Eddy County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Other <u>Extend</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>APD</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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 recompleate 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 recompleation 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.)

Yates Petroleum Corporation wishes to extend the captioned well's APD expiration date for one (1) year to June 21, 2008.

H2S Drilling Plan Attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

C-144 attached

Thank you.

**APPROVED FOR 24 MONTH PERIOD
ENDING 6-21-09**

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Cy Cowan / cy@ypcnm.com

Title

Regulatory Agent / Land Department

Signature

Date

May 24, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

James Stovall

Title

FIELD MANAGER

Date

JUN 27 2007

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

CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001, 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 reverse)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name Indian Basin Upper Penn Associated	
⁴ Property Code		⁵ Property Name Walt Canyon AMA Fed. Com			⁶ Well Number 8
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3980

¹⁰ Surface Location

UL or lot no. B	Section 10	Township 22 S	Range 24 E	Lot Idn	Feet from the 214	North/South line North	Feet from the 1561	East/West line East	County Eddy
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	-----------------------	------------------------	----------------

¹¹ Bottom Hole Location If Different From Surface

UL or lot no. B	Section 10	Township 22S	Range 24E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	County Eddy
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	-----------------------	------------------------	----------------

¹² Dedicated Acres 320 N/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div>6 NM 90505</div> <div>nm 90505</div>				<div>NM 78213</div>				<div>660'</div> <div>Bottom Hole Location</div>				<div>1980'</div> <div>NM 91504</div>				<div>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division <div>Cy Cowan</div><div>Signature</div><div>5/24/07</div><div>Date</div><div>Cy Cowan, Regulatory Agent</div><div>Printed Name</div></div>			
												<div>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief <div></div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor</div></div>							
												<div>REFER TO ORIGINAL PLAT <div></div><div>Certificate Number</div></div>							

Resubmitted

District 1
1626 N. French Dr. Hobbs, NM 88240

District 1
611 South First, Artesia, NM 88210

District 2
1800 N. Grease Rd., Aztec, NM 87410

District 3
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, N M 87505

Form O-102

Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Indian Basin Upper Penn Associated.
Property Code	Property Name	Well Number
	WALT CANYON AMA FED. COM.	8
OGAD No.	Operation Name	Elevation
025575	YATES PETROLEUM CORPORATION	3980

Surface Location

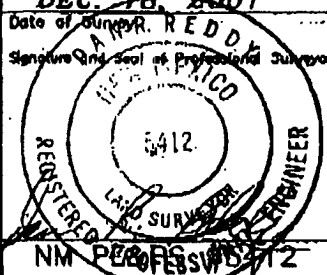
UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
B	10	22-S	24-E		214	NORTH	1561	EAST	REDDY

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
B	10	22-S	24-E		860	NORTH	1980	EAST	REDDY

Modified Acres	Joint or Laid	Consolidation Code	Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

NM-90505 NM-78213 860' SURFACE LOCATION 1980' NM-91504 BOTTOM HOLE LOCATION	OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.	
	Signature <i>Cy Cowan</i> Printed Name Cy Cowan Title Regulatory Agent Date 1/21/02	
	SURVEYOR CERTIFICATION I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.	
	DEC. 18, 2001 Date of Survey Signature and Seal of Professional Surveyor  NM PROFESSIONAL ENGINEER Certificate Number	

Yates Petroleum Corporation

**105 S. Fourth Street
Artesia, NM 88210**

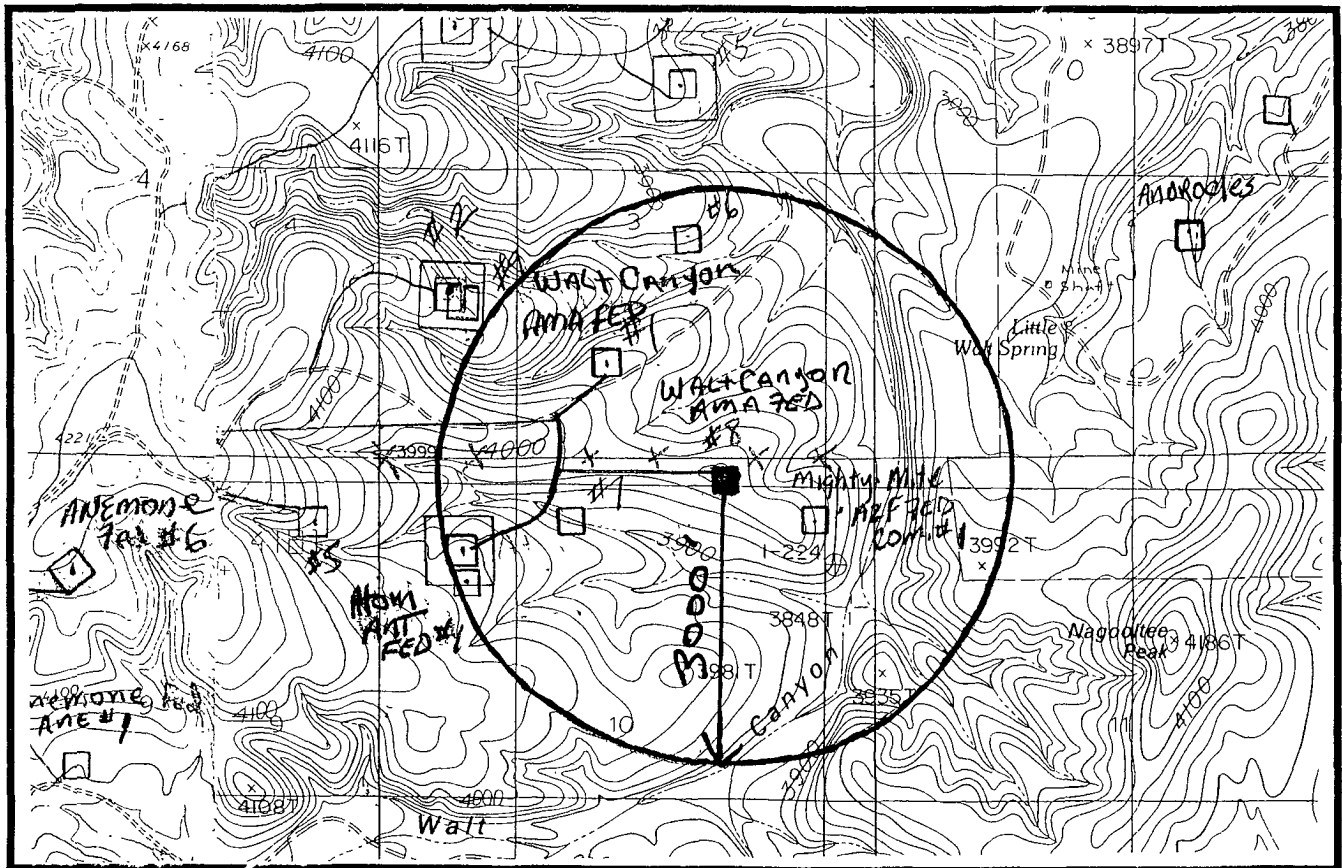
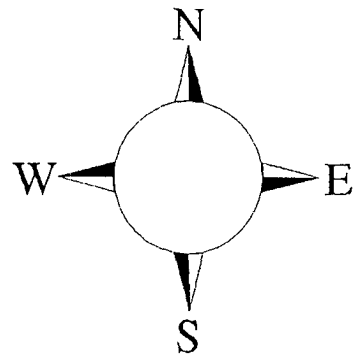
Hydrogen Sulfide (H₂S) Contingency Plan

For

**Walt Canyon AMA Federal #8
214' FNL, 1561' FEL Surface Hole Location
660' FNL and 1980' FEL Bottom Hole Location
Section 10, T-22S, R-24E
Eddy County NM**

Walt Canyon AMA Federal #8 Location

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.



Assumed 100 ppm RCE = 3000

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the case of a release of gas containing H₂S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H₂S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H₂S monitors and air packs in order to control the release. Use the “buddy system” to ensure no injuries during the response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

YPC personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. YPC Company response must be in coordination with the State of New Mexico’s ‘Hazardous Materials Emergency Response Plan’ (HMER)

Yates Petroleum Corporation Phone Numbers

YPC Office	(505) 748-1471
Paul Ragsdale/Operations Manager.....	(505) 748-4189
Ron Beasley/Production Manager	(505) 748-4210
Al Springer/Drilling	(505) 748-4225
Paul Hanes/Prod. Foreman/Roswell	(505) 624-2805
Jim Krogman/Drilling Superintendent.....	(505) 748-4215
Artesia Answering Service	(505) 748-4302
(During non-office hours)	

Agency Call List

Eddy County (505)

Artesia

State Police	746-2703
City Police.....	746-2703
Sheriff's Office	746-9888
Ambulance	911
Fire Department	746-2701
LEPC (Local Emergency Planning Committee)	746-2122
NMOCD.....	748-1283

Carlsbad

State Police	885-3137
City Police.....	885-2111
Sheriff's Office.....	887-7551
Ambulance	911
Fire Department	885-2111
LEPC (Local Emergency Planning Committee).....	887-3798
US Bureau of Land Management.....	887-6544
New Mexico Emergency Response Commission (Santa Fe)	(505) 476-9600
24 HR	(505) 827-9126
New Mexico State Emergency Operations Center.....	(505) 476-9635
National Emergency Response Center (Washington, DC)(800) 424-8802

Other

Boots & Coots IWC	1-800-256-9688 or (281) 931-8884
Cudd Pressure Control.....	(915) 699-0139 or (915) 563-3356
Halliburton	(505) 746-2757
B. J. Services.....	(505) 746-3569
Flight For Life -4000 24th St, Lubbock, TX	(806) 743-9911
Aerocare -Rr 3 Box 49f, Lubbock, TX	(806) 747-8923
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuq, NM	(505) 842-4433
S B Air Med Svc 2505 Clark Carr Loop SE, Albuq, NM	(505) 842-4949