

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

Form C-103
March 4, 2004

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

WELL API NO.
30-005-63485
5. Indicate Type of Lease
STATE xx
FEE ☐
6. State Oil & Gas Lease No.
LG-9805

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 Well xx Other

RECEIVED

2. Name of Operator
Yates Petroleum Corporation

MAY 10 2004

3. Address of Operator
105 South 4th Street, Artesia, NM 88210

OCD-ARTESIA

7. Lease Name or Unit Agreement Name
Enron AEY State

8. Well Number
2

9. OGRID Number
025575

10. Pool name or Wildcat
Undesignated Foor Ranch Pre-Permian

4. Well Location

Unit Letter P : 660 feet from the South line and 660 feet from the East line

Section 25

Township 9S

Range 26E

NMPM

County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3834' GR

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL P Sect 25 Twp 9S Rng 26E Pit type Drilling Depth to Groundwater NA Distance from nearest fresh water well NA

Distance from nearest surface water NA Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;

_____ feet from the _____ line and _____ feet from the _____ line

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: xx Extend APD and Provide Drilling Pit Information

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 wishes to extend the captioned well's APD expiration date for one (1) year to June 19, 2005.

A drilling pit will be constructed at this wellsite under Yates Petroleum Corporation general plan that was approved by OCD on April 15, 2004. (The State Engineers Web Site has been accessed for the above well. There were no records found of ground water depth, water wells or the indication of any surface water.)

Thank you,

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 xx or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Robert Asher TITLE Regulatory Agent/Land Department DATE May 6, 2004

Type or print name: Robert Asher E-mail address: debbiec@ypcnm.com Telephone No. (505) 748- 4376

(This space for State use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

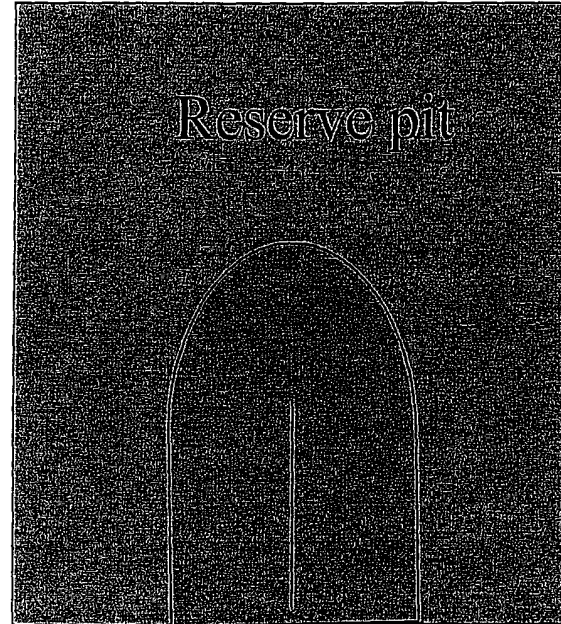
APPROVED BY _____ TITLE _____ DATE MAY 18 2004
Conditions of approval, if any:

Cement to cover all oil, gas and
water bearing zones.

Sincerely,



Van Barton

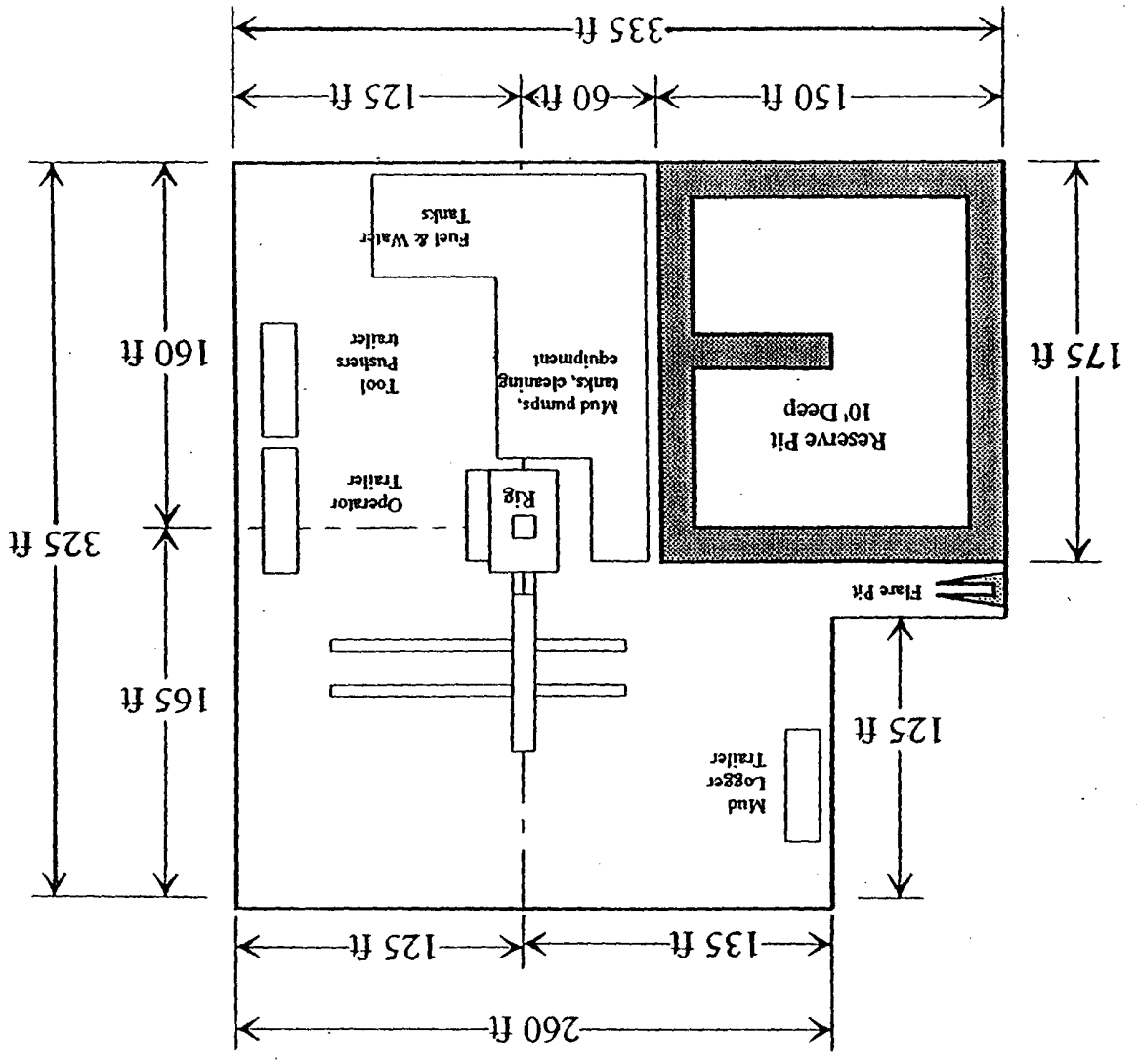
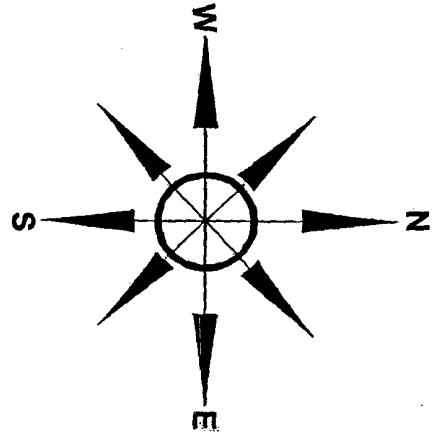


Flare pit

Standard reserve pit. All Reserve pits are double
Horse shoe size varies with depth of well

Yates Petroleum Corporation Location Layout for Permian Basin Up to 12,000'

PB - L1



Distance from Well Head to Reserve Pit will vary between rigs
 The above dimension should be a maximum



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

18 May 2004

Yates Petroleum Corp.
105 South 4th Street
Artesia, New Mexico 88210

RE:

Permit Stipulations - Enron AEY State # 2 API# 30-005-63485 Unit P SEC-25 T-9S R-26E

The Oil Conservation Division of Artesia is in receipt of your application to construct a pit for the purpose of drilling. The request is hereby accepted and approved with the following provisions:

1. Construction and closing of pit(s) must meet the criteria of Rule 19.15.2.50 and the Pit Guidelines.
2. The pit is not located in any watercourse, lakebed, sinkhole, playa lake, or wetland.
3. Notice is to be given to the OCD prior to construction of the pit(s).
4. Liner must be a minimum of 12 mil. woven.
5. Liner choice may cause the pit's contents and the liner to be removed and disposed of in a manner approved by the Division.
6. Pit encapsulations must meet all specific criteria including, but not limited to:
 - A. Site evaluation
 - B. Liner thickness and type must meet requirements as per guidelines.
 - C. Amount of and type of cover
 - D. Drill cuttings will be sampled as per guidelines. Notify OCD 48 hours prior to any sampling event
 - E. In the event that the integrity of the pit lining is breached in a manner such that soil contamination would result, the contents of the pit will have to be disposed of in an approved OCD facility.
7. The integrity of the bottom liner may not be breached at any time for any reason.
8. The pit will not be used for any additional storage of fluids.
9. The Division may attach additional conditions to any permit upon a finding that such conditions are necessary to prevent the contamination of fresh water, or to protect public health or the environment. (19.15.2.50.C.3.G.1.)
10. Re-seeding mixture will must be approved or authorized by surface owner.

If I can be of any further assistance, please feel free to call (505) 748-1283 ext. 109.

Sincerely,

Van Barton