

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

30-005-63502

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

FEE

7. Lease Name or Unit Agreement Name

Erma

RECEIVED

8. Well No.

MAY 14 2004

2

9. Pool name or Wildcat

OCD-ARTESIA

Wildcat Basement

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 ☒

OTHER

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 S. 4th Street, Artesia, NM 88210

4. Well Location

Unit Letter A : 660 Feet From The North Line and 660 Feet From The East Line

Section 1 Township 10S Range 24E NMPM Chaves County

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

3,549'

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

11. NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☒

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

Yates Petroleum Corporation respectfully requests permission to make the following changes to the APD for this well.

Change APD hole/casing size and cement volumes as listed below.

The new program is as follows:

Hole Size	Casing Size	Casing Weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	900'	450sx	Surface
*11"	8 5/8"	24#	1,600'	1,550 sx	700'
7 7/8"	5 1/2"	15.5#	4,860'	1,250 sx	3,925'

*The 8 5/8" casing will only be set if there is lost circulation. If no loss circulation occurs, the hole will be reduced to 7 7/8" at 1,600' and drilled to 4,860' where 5 1/2" casing will be set and cement tied back to surface casing.

Verbal approval given by Bryan Arrant, OCD on 5/13/04.

Thank-you,

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

SIGNATURE Jeremiah Mullen

TITLE Drilling Engineer Asst.

DATE 05/13/04

TYPE OR PRINT NAME Jeremiah Mullen

TELEPHONE NO. (505)-748-4378

(This space for State Use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY

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

Please see attached
stipulations and/or
requirements:

MAY 20 2004



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

20 May 2004

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

RE:

Pit Permit - Erma #2

API # 30-005-53502

Unit A SEC-1 T-10S R-24E

The Oil Conservation Division of Artesia is in receipt of your application for permit to drill. Construction of a pit(s) for the purpose of drilling is approved under your current "General Plan" 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. Depth to groundwater may cause the pit's contents and the liner to be removed and disposed of in a manner approved by the Division.
7. 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.
8. The integrity of the bottom liner may not be breached at any time for any reason.
9. The pit will not be used for any additional storage of fluids.
10. 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.)

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

Sincerely,

Van Barton