

Submit 3 Copies To Appropriate District
Office
District I
1625 N. ... Hobbs, NM 88240
District II
1301 W. ... Artesia, NM 88210
District III
1000 R. ... 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. 30-015-33774
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No. Fee
7. Lease Name or Unit Agreement Name Lanita BFN (34471)
8. Well Number 1
9. OGRID Number 25575
10. Pool name or Wildcat Wildcat Mississippian

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 South 4th Street, Artesia, New Mexico, 88210

4. Well Location
Unit Letter: N: 660 feet from the South line and 1980 feet from the West line
Section 10 Township 19S Range 26E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3327' GR

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

Pit Location: UL N Sect 10 Twp 19S Rng 26E Pit type Drilling Depth to Groundwater 70' Distance from nearest fresh water well 1100' Distance from nearest surface water 600' Below-grade Tank Location UL P Sect Twp Rng ; feet from the line and feet from the East line

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPLETION ☐	CASING TEST AND CEMENT JOB ☐	
OTHER: ☐		OTHER: ☒ Extend APD	

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 December 19, 2007.

H2S Contingency Plan attached.

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

SIGNATURE Cy Cowan TITLE Regulatory Agent/Land Department DATE November 28, 2006

Type or print name: Cy Cowan E-mail address: cy@ypcnm.com Telephone No. (505) 748-4372

(This space for State use) **BRYAN G. ARANT**
DISTRICT II GEOLOGIST

APPROVED BY DATE DEC 01 2006

Conditions of approval, if any:

Yates Petroleum Corporation

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

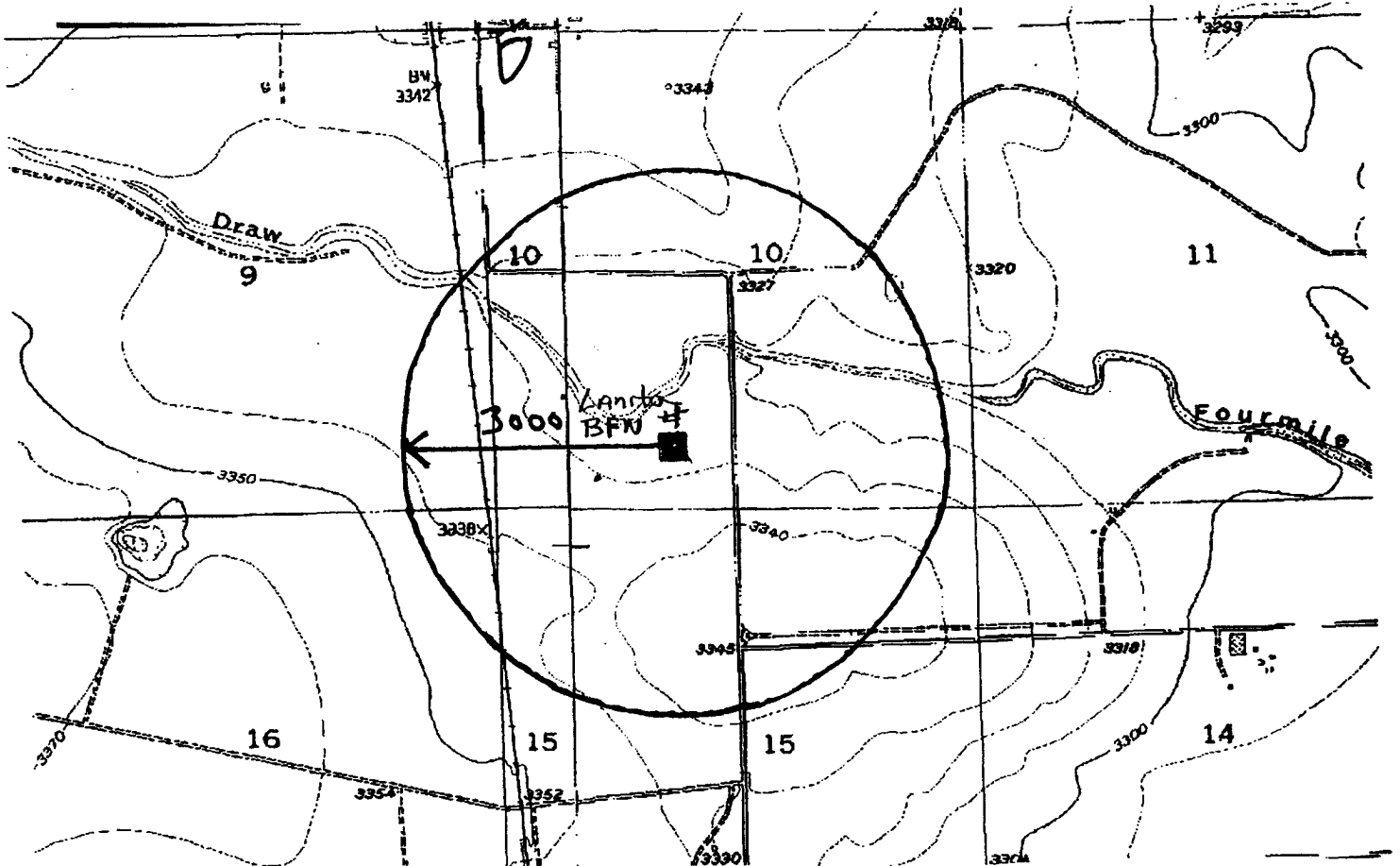
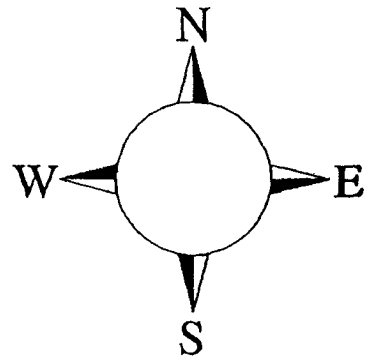
Hydrogen Sulfide (H₂S) Contingency Plan

For

**Lanita BFN #1
660' FSL, 1980' FWL
Section 10, T-19S, R-26E
Eddy County NM**

Lanita BFN #1 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.



Approved by: [Signature] Date: [Date]

Emergency Procedures

In the case of a release of gas containing H_2S , 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 H_2S , measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H_2S 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 (SO_2). 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 H_2S and SO_2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H_2S	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
Pinson McWhorter/Operations Manager (505) 748-4189
Darrel Atkins/Production Manager (505) 748-4204
Ron Beasley/Prod Superintendent (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 Police746-2703
City Police.....746-2703
Sheriff's Office746-9888
Ambulance911
Fire Department746-2701
LEPC (Local Emergency Planning Committee)746-2122
NMOCD.....748-1283

Carlsbad

State Police885-3137
City Police.....885-2111
Sheriff's Office887-7551
Ambulance911
Fire Department885-2111
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 IWC1-800-256-9688 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