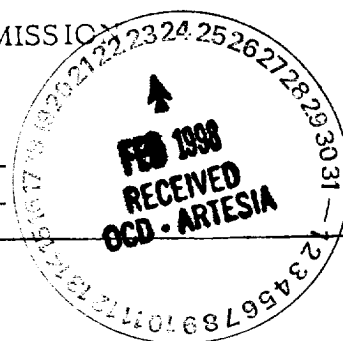


NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL



STATE OF NEW MEXICO)
County of EDDY) ss.

Randy G. Patterson, being first duly sworn according to law, upon his oath deposes and says:

1. That he is Land Manager of Yates Petroleum Corporation
(Title) (Operator)
whose address is 105 South Fourth Street, Artesia, New Mexico 88210.
2. That Yates Petroleum Corporation is the operator of a well drilled on land belonging to William B. Corn, whose address is 1 Lafayette Loop
(Landowner)
Roswell, New Mexico, said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the Corn Ranch AOV St. No. 1, being located 1650 feet from the South line and 1650' feet from the East line of Section 29, Township 8 South, Range 22 East, NMPM, Chaves County, New Mexico.
3. That said well was drilled to a total depth of 3545 feet, and that casing has been set and cemented as follows: Surface casing: 13 3/8" set at 200' with cement circulated. Intermediate casing: 8 5/8" set at 800' with cement circulated. Production casing: 4 1/2" set at 3545' and cement approximately back to 1500'.
4. That operator and landowner have made an agreement whereby operator (is) ~~(is not)~~ to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to a plugged-back total depth of 750 feet and transfer well to landowner for his use as a water-well. Operator will leave casing in the well as follows: Surface casing set at 200' and intermediate casing set at 800'. The 4 1/2" casing will be cut at it's free point and pulled from the well. We are not sure how much 4 1/2" will be left in the wellbore. We expect to pull approximately 1000' of 4 1/2" casing.
5. That when operator has complied with the provisions of Paragraph 4 above it will so notify the Oil Conservation Commission of the State of New Mexico on Commission Form C-103, together with a signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction.

YATES PETROLEUM CORPORATION

(Operator)

By [Signature]
Subscribed and sworn to before me this 30TH day of JANUARY, A. D. 19 98.

Clifton R. May
Notary Public in and for the County of EDDY

STATE OF New Mexico)
County of Chaves) ss.

William B. Corn, being first duly sworn according to law, upon his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been complied with, he will accept the above-described well for his use as a water-well, and that he will assume all responsibility for the well, the location, and the conversion of the well to a water-well.

Subscribed and sworn to before me this 2nd day of February, A. D. 19 98.

William B. Corn
(Landowner)
Notary Public in and for the County of Chaves