N.M. Oil Cons. Division 811 S. 1st Street Form 3160-5 UNITED STATES FORM APPROVED (June 1990) Budget Bureau No. 1004-0135 Artesia, NM 88210-2834 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. NM-78213 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Oil Well 8. Well Name and No. 2. Name of Operator Walt Canyon AMA Federal #3 YATES PETROLEUM CORPORATION 9. API Well No. 3. Address and Telephone No. 105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471 10. Field and Pool, or Exploratory Area Indian Basin Upper Penn Associated Pool 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1115' FNL and 810' FWL 11. County or Parish, State Section 3, T22S-R24E Eddy County, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing

Final Abandonment Notice

C15)

Water Shut-Off

Dispose Water

Conversion to Injection

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

Yates Petroleum Corporation wishes to extend the APD for the captioned well for another year.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled,

give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Casing Repair

Altering Casing

Extend APD

APPROVED FOR 12 MONTH PERIOD ENDING 1/19/98

Landman 12/31/96 Title (This space for Federal or State office use) JAH 15 1997 Approved by ORIG. SGD.) ALEXIS C. SWOBODA Conditions of approval, if any: PETROLEUM ENGINEER Title __

Title 18 U.S.C. Section 1001, makes 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