aut 3 Copies To Appropriate District Form C-103 State of New Mexico office March 4, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-015-33184 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 FEE XX District IV 1220 S. St. Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Clarence BCU DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Well Number 1. Type of Well: RECEIVED Oil Well Gas Well XX Other DEC 2 0 2004 9. OGRID Number 2. Name of Operator Yates Petroleum Corporation 025575 3. Address of Operator 10. Pool name or Wildcat 105 South 4th Street, Artesia, New Mexico, 88210 Wildcat Morrow 4. Well Location Unit Letter: K: 1980 feet from the South line and 1800 feet from the West line Section Township 16S Range 26E County Eddy 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3324' GR Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached) Pit Location: UL K Sect 23 Twp 16S Rng 26E Pit type Drilling Depth to Groundwater 32 Distance from nearest fresh water well 2400' Distance from nearest surface water 200_Below-grade Tank Location UL Sect____Twp ____Rng ____; feet from the line and feet from the 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: REMEDIAL WORK PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ ALTERING CASING TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS.□ П \Box PLUG AND **ABANDONMENT** PULL OR ALTER CASING MULTIPLE CASING TEST AND COMPLETION **CEMENT JOB** OTHER: \(\Bar{\} \) OTHER: XX 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 request to extend the captioned well's APD expiration date for one (1) year to January 21, 2006. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Morrow Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118. Any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines with an approved general permit on file. 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 OCDapproved plan HTLE Regulatory Technician/Land Department DATE December 20, 2004 E-mail address: debbiec@ypcnm.com Telephone No. (505) 748-4371 Type or print name: Debbie L. Caffall DEC 2 0 2004 (This space for State use) TIM W. GUM

DATE

DISTRICT II SUPERVISOR

APPPROVED BY

Conditions of approval, if any:

N. French Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-144

March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Type of action: Registration of a pit or below-grade tank xx Closure of a pit or below-grade tank Type of action: Registration of a pit or below-grade tank xx Closure of a pit or below-grade tank			
Operator: Yates Petroleum Corporation Telephone: (505) 748-4372 e-mail address: debbiec@ypcnm.com Address: 105 South 4th Street, Artesia, NM 88210 Facility or well name: Clarence BCU #3 API #: 30-015-33184 U/L or Qtr/Qtr K Sec 23 T 16S R 26E County: Eddy Latitude Longitude NAD: 1927 1983 Surface Owner: Federal State Private XX Indian			
Pit Type: Drilling X Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined xx Unlined ☐ Liner type: Synthetic xx Thickness ☐2 mil Clay ☐ Volume	Below-grade tank Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	RECEIVED
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points)	DEC 2 0 2004 OPPIANTESIA
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	
	Ranking Score (Total Points)	Points 50	
If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite			
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 Date: December 20, 2004 Printed Name/Title Debbie L. Caffall/Regulatory Technician Signature Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.			
As a condition of approval, if during construction water is encountered or if water seeps in pits after construction the OCD MILST BE. As a condition of approval a detailed closure plan must be filed before closure may commence.			

CONTACTED IMMEDIATELY: