

May 27, 2004

1025 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM  
 87505

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-015-28126
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.  Federal NM-78214
7. Lease Name or Unit Agreement Name  Anemone ANE Federal
8. Well Number 3
9. OGRID Number 025575
10. Pool name or Wildcat Indian Basin Upper Penn Assoc.

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		RECEIVED DEC 19 2005 OGD-WATECON
2. Name of Operator Yates Petroleum Corporation		3. Address of Operator 105 S. 4 <sup>th</sup> Street, Artesia, NM 88210
4. Well Location Unit Letter B : 810 feet from the North line and 1930 feet from the East line Section 9 Township 22S Range 24E NMPM Eddy County		11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4171'GR
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/> Pit type <u>Workover</u> Depth to Groundwater <u>&gt;100'</u> Distance from nearest fresh water well <u>&gt;1000'</u> Distance from nearest surface water <u>&gt;1000'</u> Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Pit Construction ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
 CASING/CEMENT JOB ☐

OTHER: ☐

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.

Pit will be constructed as per Master plan approved 12/20/04

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE December 16, 2005  
 Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

## For State Use Only

APPROVED BY: Gerry Guye TITLE Compliance Officer DATE 12-19-05  
 Conditions of Approval (if any): \_\_\_\_\_