

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation 25575

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)

(505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FNL AND 890' FEL
Section 1, T22S-R23E

5. Lease Serial No.

NM-92742

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/o

8. Well Name and No.

Zingaro ANG Federal #3

9. API Well No.

30-015-34811

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn Assoc.

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Extend</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation wishes to extend the captioned well's APD expiration date for one (1) year to April 19, 2008. (C-144 attached)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED FOR 12 MONTH PERIOD
ENDING 4/19/08

APD APPROVED: 4/19/06

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Cy Cowan

Email: cy@ypcnm.com

Title: Regulatory Agent / Land Department

Signature

Date

March 19, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ James Stovall

ACTING

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Date

APR 09 2007

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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

(Instructions on reverse) Previously Approved

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name Indian Basin Upper Penn Associated
⁴ Property Code	⁵ Property Name ZINGARO ANG FEDERAL	
⁷ OGRID No. 025575	⁸ Operator Name YATES PETROLEUM CORPORATION	⁶ Well Number 3 ⁹ Elevation 3928'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	1	22S	23E		990	NORTH	890	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 E 2	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	Signature Date 3/19/07	
	Cy Cowan Printed Name Regulatory Agent Title	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
Date of Survey Signature and Seal of Professional Surveyor: REFER TO ORIGINAL PLAT		Certificate Number

☐ AMENDED REPORT

16		NM-92742	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> 990' 890' </div>
<div style="border: 1px solid black; padding: 5px;"> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <h3 style="margin: 0;">17 OPERATOR CERTIFICATION</h3> <p style="margin: 0; font-size: small;">I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <div style="text-align: right; margin-top: 10px;"> </div> <div style="margin-top: 10px;"> <p style="margin: 0; font-size: small;">Signature Cy Cowan</p> <p style="margin: 0; font-size: small;">Printed Name Regulatory Agent</p> <p style="margin: 0; font-size: small;">Title 2/8/01</p> <p style="margin: 0; font-size: small;">Date</p> </div> </div> </div> </div>			
<div style="border: 1px solid black; padding: 5px;"> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <h3 style="margin: 0;">18 SURVEYOR CERTIFICATION</h3> <p style="margin: 0; font-size: small;">I hereby certify that the well location shown on this plan was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: right; margin-top: 10px;"> </div> <div style="margin-top: 10px;"> <p style="margin: 0; font-size: small;">Date of Survey OCTOBER 1998</p> <p style="margin: 0; font-size: small;">Signature and Seal of Professional Surveyor</p> </div> </div> </div> <div style="text-align: center; margin-top: 10px;"> </div> <div style="margin-top: 10px;"> <p style="margin: 0; font-size: small;">Certificate Number NM PRAPS NO 5412</p> </div> </div>			

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State of New Mexico
Energy Minerals and Natural Resources

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

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

Form C-144
March 12, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ 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: Zingaro ANG Federal #3 API #: 30-015-30531 U/L or Qtr/Qtr Sec 1 T 22S R 23E
County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil

Clay ☐ Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

RECEIVED

FEB 01 2005

OCD-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

Points 10

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 ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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: January 12, 2005

Printed Name/Title Debbie L. Caffall/Regulatory Technician

Signature Debbie L. Caffall

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.

Approval: MAR 16 2005

Date: _____

Printed Name/Title Wild Ap P

Signature Wild Ap P

MAY 10 2007
OCC - ARK 10 10 2007

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted for changes in the COA for the casing settings and cementing and in the H2S Plan to read as follows:
2. The 5.5" production casing will be replaced by a 7" casing string as originally presented in the APD.
3. The 7" casing will be cemented such that the cement will come up to at least 200 feet inside the 9.625" casing, unless there is lost circulation while drilling the well bore for the 9.625" casing; in which case the cement on the 7" casing will be brought up to at least 200 feet above the top of the most shallow lost circulation zone. **This modification is due to this location now being classified as High Cave / Karst potential.**
4. The H2S plan must be expanded to address all of the issues in Onshore Order # 6.III.A.1 and B.2.b.ii.a .

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 4/3/07