

Submit 3 Copies To Appropriate District Office
District I
1625 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

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

WELL API NO.

30-025-36799

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
V-5739

7. Lease Name or Unit Agreement Name
Waylon State Unit

8. Well Number
5

9. OGRID Number
25575

10. Pool name or Wildcat
Wildcat Mississippian

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 ☐ Gas Well ☒ Other

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, NM, 88210

4. Well Location

Unit Letter H: 1980 feet from the North line and 970 feet from the East line

Section 21 Township 11S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4167' GR

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL H Sect 21 Twp 11S Rng 34E Pit type Drilling Depth to Groundwater less than 50' Distance from nearest fresh water well more than 1000' Distance from nearest surface water more than 1000' Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;
_____ feet from the _____ line and _____ feet from the _____ line

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☒ 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 wishes to extend the captioned well's APD expiration date for one (1) year to August 03, 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 Mississippian formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Sources available have been accessed for the captioned well. Information obtained determines the Site Ranking for this well is 20 points. With this ranking, excavation and removal of drilling materials will take place at pit closure. 12 mil liner requirements will be met. C144 Attached.

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 NMOCDC guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Debbie L. Caffall TITLE Regulatory Technician DATE 07/03/2005

Type or print name Debbie L. Caffall E-mail address: debbiec@ypcnm.com Telephone No.: (505) 748-4364

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUL 20 2005

Conditions of approval, if any:

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

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

Is pit or below-grade tank covered by a "general plan"? Yes ☒ CheckBox1 of action: Registration of a pit or below-grade tank ☐ Closure of a
pit or below-grade tank ☐

Operator: Yates Petroleum Corporation Telephone: 505-748-1471 e-mail address: debbiec@ypcnm.com
Address: 105 South Fourth Street, Artesia, NM 88210
Facility or well name: Waylon State Unit #5 API #: _____ U/L or Qtr/Qtr H Sec 21 T 11S R 34E
County: Lea Latitude N.33°21'11.1" Longitude W.103°30'37.8" NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>24,000</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
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) 20	

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: 8/2/2004
Printed Name/Title Robert Asher/Regulatory Agent Signature [Signature]

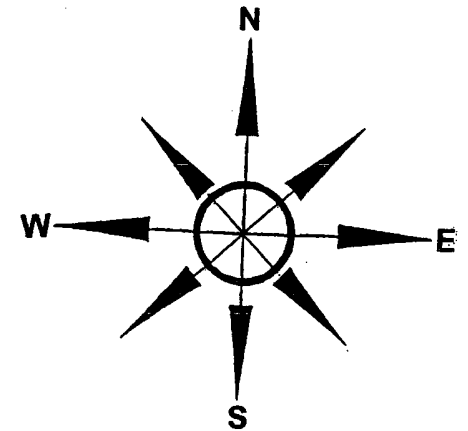
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or
otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or
regulations.

Approval:

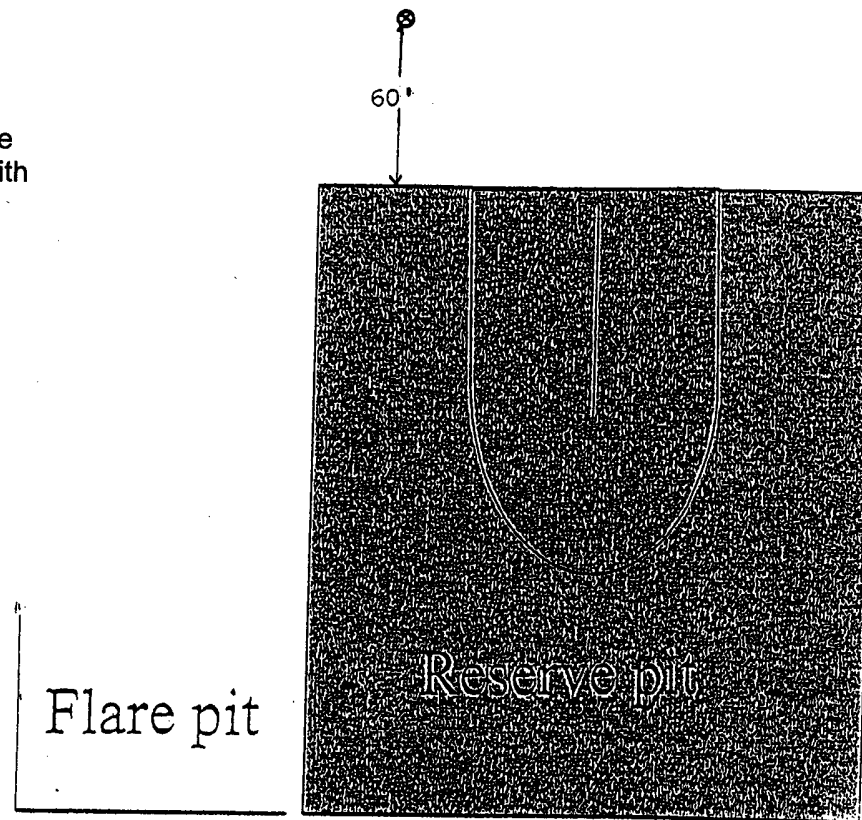
Date: JUL 20 2005

Printed Name/Title PETROLEUM ENGINEER Signature [Signature]

Yates Petroleum Corporation
Standard Reserve Pit Layout
General Plan was approved 4/15/2004



The reserve pit will be to the south. The northwest corner of the pit will be approximately 60' south of the well bore. The pit will be a 150' by 150' by 5' deep with the capacity of 24,000 bbls. The pit will be lined with a 12 mil. liner.



Standard reserve pit. All reserve pits are double Horseshoe, size varies with depth of well.