

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

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

Form C-103  
March 4, 2004

WELL API NO. <b>30-005-27931</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>Ouch 27 State</b>
8. Well Number <b>1</b>
9. OGRID Number <b>025513</b>
10. Pool name or Wildcat <b>Wildcat San Andres</b>

**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 Drilling Company**

3. Address of Operator  
**105 South 4<sup>th</sup> Street, Artesia, NM 88210**

4. Well Location  
Unit Letter L : 2080 feet from the South line and 760 feet from the West line

Section 27 Township 12S Range 31E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**4446' GR**

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

**Pit Location: UL L Sect 27 Twp 12S Rng 31E Pit type Drilling Depth to Groundwater 127' Distance from nearest fresh water well 4300'**

**Distance from nearest surface water 4200' 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/> <b>Extend APD</b>	

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 January 28, 2007. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the San Andres formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

C-144 attached  
Thank you,

*Expires Jan 28, 2007*

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 Debbie L. Caffall TITLE Regulatory Agent/Land Department DATE January 19, 2006

Type or print name: Debbie L. Caffall E-mail address: debbiec@ypcnm.com Telephone No. (505) 748-4376

(This space for State use)

APPROVED BY Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JAN 20 2006  
Conditions of approval, if any:

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Oil Conservation Division  
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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 Drilling Company Telephone: 505-748-1471 e-mail address: boba@ypcnm.com  
Address: 105 South Fourth Street, Artesia NM 88210  
Facility or well name: Ouch 27 State #1 API #: \_\_\_\_\_ U/L or Qtr/Qtr L Sec 27 T 12S R 31E  
County: Chaves Latitude N.33°14'48.1" Longitude W.103°48'56.4" 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  
24,000 bbl

**Below-grade tank**

Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_  
Construction material: \_\_\_\_\_  
Double-walled, with leak detection? Yes ☐ 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 79' (10 points)  
100 feet or more ( 0 points) 10

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)

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: 1/28/2005

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: 1/20/2006

Printed Name/Title CHRIS WILLIAMS / DIST. SUP.

Signature [Signature]