

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

<p>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.)</p> <p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>WELL API NO. 30-005-27935</p>																				
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>																				
<p>3. Address of Operator 105 South 4th Street, Artesia, NM 88210</p>		<p>6. State Oil & Gas Lease No. VA-2131</p>																				
<p>4. Well Location Unit Letter <u>D</u>: <u>660</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>West</u> line Section <u>10</u> Township <u>12S</u> Range <u>31E</u> NMPM County <u>Chaves</u></p>		<p>7. Lease Name or Unit Agreement Name Patsy State Unit</p>																				
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4457' GR</p>		<p>8. Well Number 3</p>																				
<p>Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)</p> <p>Pit Location: UL <u>D</u> Sect <u>10</u> Twp <u>12S</u> Rng <u>31E</u> Pit type <u>Drilling</u> Depth to Groundwater <u>126'</u> Distance from nearest fresh water well <u>4600'</u> Distance from nearest surface water <u>300'</u> Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ; _____ feet from the _____ line and _____ feet from the _____ line</p>		<p>9. OGRID Number 025575</p>																				
<p>12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</p> <table border="0"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDONMENT <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPLETION <input type="checkbox"/></td> <td>CASING TEST AND CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">OTHER: <input type="checkbox"/></td> <td colspan="2">OTHER: <input checked="" type="checkbox"/> Extend APD</td> </tr> </table>		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"/> Extend APD		<p>10. Pool name or Wildcat Wildcat Mississippian</p>
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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 February 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 Mississippian formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

C-144 attached.

Thank you,

Expires Feb 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 1/24/2006

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

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APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JAN 26 2006

Conditions of approval, if any: