

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-HOBBSFORM 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 side1. 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)

**330' FSL and 990' FWL, Unit M
Section 17, T21S-R32E**

5. Lease Serial No.

NM-94095

6. If Indian, Allottee or Tribe Name

Not Applicable

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

Not Applicable

8. Well Name and No.

Caper BFE Federal #16 34414

9. API Well No.

30-025-38101

10. Field and Pool, or Exploratory Area

Wildcat Bone Spring

11. County or Parish, State

Lea County, New Mexico

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 | <u>APD</u> |
| | <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 two (2) years to August 17, 2009. (C-144 attached)

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 Bone Spring formation to meet the OCD's minimum requirements for the submission of a contingency plan per rule 118.

Thank you.

APPROVED FOR 24 MONTH PERIOD
ENDING 8-17-09

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

Name (Printed/Typed)

Clifton R. May

Email: cliff@ypcnm.com

Title: Regulatory Agent / Land Department

Signature

Clifton R. May

Date

July 19, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ James Stovall

Title

FIELD MANAGER

Date

AUG 17 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

Office

CARLSBAD FIELD OFFICE

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****GW**

GWW

DISTRICT I
 1205 N. French St., Hobbs, NM 88240

DISTRICT II
 811 South First, Artesia, NM 88210

DISTRICT III
 1000 Nio Brazos Rd., Aztec, NM 87410

DISTRICT IV
 2040 South Pueblo, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised March 17, 1999
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------|---|---|
| API Number 30-025-38101 | Pool Code ✓ | Pool Name WILDCAT BONE SPRING |
| Property Code 34414 | Property Name CAPER "BFE" FEDERAL | Well Number 16 |
| OGED No. 025575 | Operator Name YATES PETROLEUM CORPORATION | Elevation 3628 |

Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|--------------------|-----------------------------|----------------------------------|-----------------------------|-------------------------------|----------------------|
| UL or lot No. M | Section 17 | Township 21S | Range 32E | Lot 1/4 | Feet from the 330 | North/South line SOUTH | Feet from the 990 | East/West line WEST | County LEA |
|---------------------------|----------------------|------------------------|---------------------|--------------------|-----------------------------|----------------------------------|-----------------------------|-------------------------------|----------------------|

Bottom Hole Location if Different From Surface

| | | | | | | | | | |
|------------------------------|---------------------------|-------------------------------|----------------------|--------------------|--------------------------|-----------------------------|--------------------------|---------------------------|-------------------|
| UL or lot No. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County |
| Dedicated Acres 40 | Joint or Inter | Consolidation Code | 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**

| | | | |
|--|---|--|--|
| | <p>N.32°28'20.3" W.103°42'08.0" N.536135.9 E.735984.9 (NAD-83)</p> | <p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p align="right"><i>Clifton R. May</i></p> <p>Signature CLIFTON R. MAY</p> <p>Printed Name REGULATORY AGENT</p> <p>Title APRIL 19, 2006</p> <p>Date </p> | |
| | | <p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p align="right">3/09/2006</p> <p>Date Surveyed </p> <p>Signature of Professional Surveyor </p> | |
| | | <p align="center">NEW MEXICO</p> <p align="center">3640</p> <p align="center">HERSCHEL E. JONES</p> <p align="center">REGISTERED SURVEYOR</p> | |
| | | <p>Certification No. Herschel 3640</p> <p align="center">GENERAL SURVEYING COMPANY</p> | |

GWW

District I
1625 N. Franch Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-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 ☒ 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) 748-1471 e-mail address: cliff@ypcmm.com
Address: 105 South 4th Street, Artesia, New Mexico 88210
Facility or well name: Caper BFB Federal #16 API #: 30-025-38101 U/L or Qtr/QtrM, Sec 17 T 21S R 32E
County: Lea Latitude 32.4723 Longitude 103.7022 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 12 mil Clay <input type="checkbox"/> Volume 28,000 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) | | 0 points |

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: April 20, 2006

Printed Name/Title: Clifton R. May/Regulatory Agent/Land Department

Email: cliff@ypcmm.com

Signature

Clifton R. May

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: 900Z 8-2 90V

Printed Name/Title

AUG 29 2006

PETROLEUM ENGINEER

Signature

[Signature]

GWV