

Submit 2 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

OIL CONSERVATION DIVISION

2100 South St Francis Dr.  
Santa Fe, NM 87505  
HOBBSS OCD

Form C-103  
October 25, 2007

WELL API NO. 30-025-32255
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6 State Oil & Gas Lease No. VB-0134
7. Lease Name or Unit Agreement Name Kiwi AKX State
8 Well Number #9
9. OGRID Number 025575
10. Pool name or Wildcat Livinston Ridge Delaware E.

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 PA

2. Name of Operator  
Yates Petroleum Corporation

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

4. Well Location  
Unit Letter A; 330 feet from the North line and 330 feet from the East line  
Section 16 Township 22S Range 32E NMPM Lea County

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

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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

☒ Location is ready for OCD inspection after P&A

- ☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.  
☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.  
☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR  
UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR  
PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.  
☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.  
☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.  
☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)  
☒ All other environmental concerns have been addressed as per OCD rules  
☒ Pipelines and flow lines have been abandoned in accordance with 19.15.9.714.B(4)(b) NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection. If more than one inspection has to be made to a P&A location because it does not meet the criteria above, a penalty may be assessed

SIGNATURE [Signature] TITLE \_\_\_\_\_ DATE 7-18-08

TYPE OR PRINT NAME \_\_\_\_\_ E-MAIL \_\_\_\_\_ PHONE \_\_\_\_\_

For State Use Only

APPROVED BY:

[Signature]  
COMPLIANCE OFFICER

OK to  
Release

10/22/2008



NEW MEXICO ENERGY, MINERALS  
NATURAL RESOURCES DEPARTMENT

Kon B  
Joe C  
S  
7-24-05

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division  
**RECEIVED**

**\*Response Required – Deadline Enclosed\***

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

AUG 13 2008

**HOBBS OCD**

Completed 8-7-08

orig final form mailed 7-18-08.

23-Jul-08

YATES PETROLEUM CORPORATION

105 S 4TH ST

ARTESIA NM-88210

**LETTER OF VIOLATION - Inspection**

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

**INSPECTION DETAIL SECTION**

KIWI AKX STATE No.009

A-16-22S-32E

30-025-32255-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/22/2008	Routine/Periodic	Mark Whitaker	Yes	No	8/29/2008	iMAW0820460117
<b>Violations</b>						
Surface Damage/Restoration						

**Comments on Inspection:** DO NOT RELEASE. Dry hole marker correct. Location has not been leveled. Caliche piled up on east side. NEED TO LEVEL LOCATION AS PER RULE 202. 1st letter of non-compliance. MW

Done  
8-7-08  
JC

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

  
COMPLIANCE OFFICER

Hobbs OCD District Office

**Note:** Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data  
\*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas