District I
1625 N. French 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
June 1, 2004

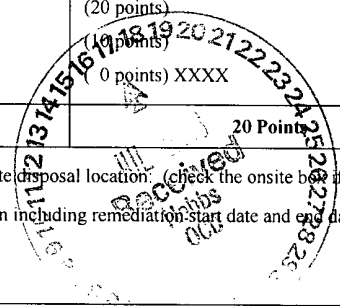
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

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: 505-748-4500 e-mail address: mikes@ypcnm.com
Address: 105 South 4th Street, Artesia, NM 88210
Facility or well name: Fender State Unit #2 API #: 30-025-37765 U/L or Qtr/Qtr L Sec 17 T 10S R 32E
County: Lea Latitude 33.44429 Longitude 103.70129 NAD: 1927 ☒ 1983 ☐
Surface Owner: Federal ☐ State ~~☐~~ Private ~~☒~~ Indian ☐

Pit	**Below-grade tank**	
Type: Drilling ☒ Production ☐ Disposal ☐ Work over ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 24000 bbl	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 50 feet or more, but less than 100 feet 100 feet or more	(20 points) XXXX (10 points) (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 No	(20 points) (0 points) XXXX
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) XXXX
	Ranking Score (Total Points)	**20 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: (check the onsite box if you are burying in place) onsite ☐ offsite ☒ If offsite, name of facility: N/A (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.

Additional Comments: Closure work plan for drilling pit. The drilling pit contents will be excavated and hauled to an OCD approved soil waste facility.
The excavated area will be backfilled to within 3' of grade. A 20 mil. Synthetic liner will then be placed over the excavated area with a minimum of a 3' over lap of the underlying trench areas.
The excavated area will be backfilled to grade using a minimum of 3' of clean soil and like material. A one call and a 48 hour notice will be provided to the Oil Conservation Division.

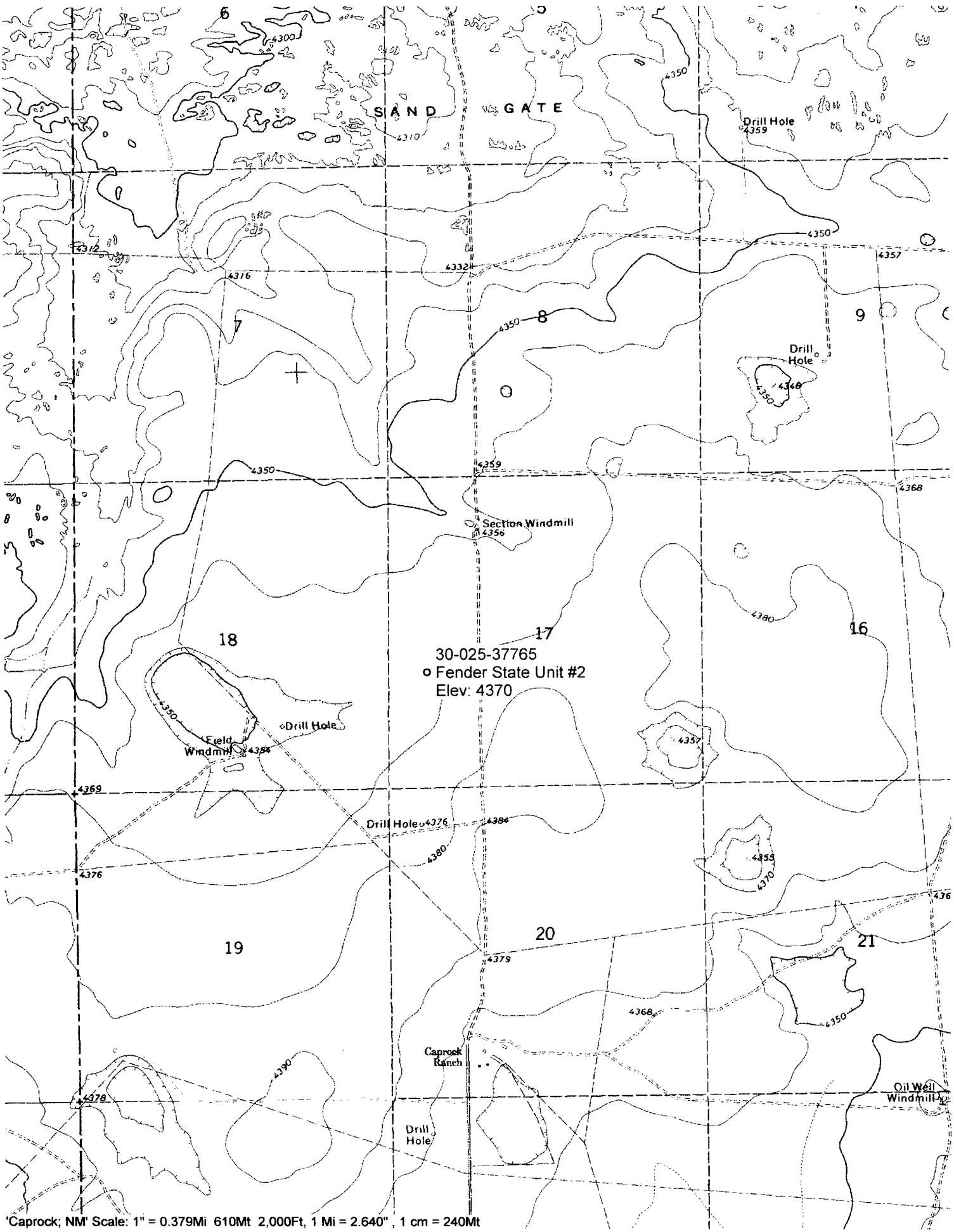
Pit Closure start date: N/A. Final closure date: N/A.

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: 07/13/2006
Printed Name/Title Mike Stubblefield / Regulatory Agent Signature Mike Stubblefield

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:
Printed Name/Title GARY W. WINK / STAFF MGR Signature Gary W. Wink Date: 7/18/06


SAND GATE
Drill Hole
4359
Drill Hole
4368
Section Windmill
4356
30-025-37765
Fender State Unit #2
Elev: 4370
Field Windmill
4355
Drill Hole
Drill Hole
4376
4384
Caprock Ranch
Drill Hole
Oil Well Windmill
6
5
7
8
9
16
17
18
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20
21
4300
4310
4312
4316
4332
4350
4357
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4360
4368
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4376
4378
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4380
4390
'Caprock; NM' Scale: 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2.640" , 1 cm = 240Mt

USGS SEO TWN 09S-15S CHAVES LEA GW

FENDER STATE UNIT #2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
3	UL	SEC	TWN	RNG	SPOT	COUNTY	SOURCE	USGS SITE NUM.	QTY	SITE LOCATION	DATE	LEVEL	DATUM	Formation	DEPTH
141	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1954-09-17	58.19	4356.00	121OGLL	120.00
142	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1970-07-27	57.05	4356.00	121OGLL	120.00
143	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1971-04-01	52.70	4356.00	121OGLL	120.00
144	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1976-03-12	52.41	4356.00	121OGLL	120.00
145	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1981-02-10	52.15	4356.00	121OGLL	120.00
146	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1986-02-25	50.38	4356.00	121OGLL	120.00
147	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1991-06-11	50.53	4356.00	121OGLL	120.00
148	C	17	10S	32E	12310	LEA	USGS	332656103414301	8	10S.32E.17.12310	1996-01-17	50.54	4356.00	121OGLL	120.00