

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

Form C-144
March 12, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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: 748-1471 e-mail address: _____

Address: 105 South Fourth Street, Artesia, NM 88210

Facility or well name: Agnes BEP Com. #1 API # 30-015-33448 U/L or Qtr/Qtr NW/NE Sec 3 T 18S R 26E

County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 20 mil Clay ☐ Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

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OCD-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 52 Feet

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feetX

(10 points)

10

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.)

YesX

(20 points)

20

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 feetXt

(10 points)

10

1000 feet or more

(0 points)

Ranking Score (Total Points)

40

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 X 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 29, 2004

Printed Name/Title Cy Cowan, Regulatory Agent

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.

Approved _____

Date: MAY 10 2004

Printed Name/Title _____

Signature _____

Pit(s) must satisfy all requirements of OCD Rule 50, Pit Guidelines, and your approved General Plan

NOTIFY O.C.D. PRIOR TO CONSTRUCTION OF PIT(S).

April 29, 2004

Water Well Information

Re: Agnes BEB Com. #1
1200' FNL and 1800' FEL
Section 3, T18S-R25E
Eddy County, New Mexico

26E

The State Engineers Web Site has been accessed for the captioned well. Please note attached information.

**New Mexico Office of the State Engineer
Well Reports and Downloads**

Township: Range: Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic
☐ Domestic ☒ All

WELL / SURFACE DATA REPORT

04/29/2004

(quarters are 1=NW 2=NE 3=SW 4=SE)

(acre ft per annum)

(quarters are biggest to smallest X Y are in Feet UTM are in Meters)

DB File Nbr	Use	Diversion	Owner	Well
Number	Source	Tws	Rng Sec q q q	Zone X Y
UTM_Zone	Easting	Northing	Date	Date
Well	Water			
RA 00754	IRR	547.05	LARRY WAGGONER	RA
00753	Artesian	18S 26E 03	3 1 1	
13	558386	3626433		
00754	Artesian	18S 26E 03	3 3 3	RA
13	558388	3625830		
RA 01245	IRR	0	BRAINARD & CLYDE GUY FRED	RA
01245	Artesian	18S 26E 03	1 2 1	
13	558786	3627245	01/01/1913	1102
RA 01921	IRR	533.4	ROGERS, INC.	RA
00753	Artesian	18S 26E 03	3 1 1	
13	558386	3626433		
00754	Artesian	18S 26E 03	3 3 3	RA
13	558388	3625830		
01921	Shallow	18S 26E 03	4 3 1	RA
13	559193	3626035		
01921 CLW	Shallow	18S 26E 03	4 3 1	RA

13	559193	3626035	04/08/1941	04/16/1941	125	
						<u>RA</u>
<u>01921 S</u>		Shallow	18S	26E 03	4 3 1	
13	559193	3626035	05/22/1978	06/02/1978	172	65
<u>RA 02808</u>		DOM	3	RUSSELL ROGERS		<u>RA</u>
<u>02808</u>		Shallow	18S	26E 03	4 4	
13	559697	3625938	10/01/1951	10/01/1951	100	30
<u>RA 05260</u>		DOM	3	STANLEY ROGERS		<u>RA</u>
<u>05260</u>		Shallow	18S	26E 03	4 3 3	
13	559193	3625835	07/20/1966	07/22/1966	100	60
<u>RA 07747</u>		DOM	3	JIMMY SANDERS		<u>RA</u>
<u>07747</u>		Shallow	18S	26E 03	2 4 4	
13	559795	3626645	07/25/1989	07/29/1989	85	40
<u>RA 08857</u>		DOM	3	HAWKINS PHIL		<u>RA</u>
<u>08857</u>		Shallow	18S	26E 03	2 2 2	
13	559794	3627250	07/29/1994	09/05/1994	240	70
<u>RA 09068</u>		DOM	3	JAMES A. SANDERS		<u>RA</u>
<u>09068</u>		Shallow	18S	26E 03	2 3	
13	559595	3626645	12/05/1995	12/07/1995	220	45
<u>RA 10267</u>		DOM	3	STEVEN L. DEMERRITT		<u>RA</u>
<u>10267</u>		Shallow	18S	26E 03	2 4 4	
13	559795	3626645	05/25/2002	06/07/2002	210	44
<u>SP 00118</u>		IRR	342	J. W. BRADSHAW		<u>SP</u>
<u>00118</u>			18S	26E 03	2 2	
13	559695	3627151				
<u>SP 02483</u>		IRR	86.67	PHIL C. & NAOMI SUE HAWKINS		<u>SP</u>
<u>02483</u>			18S	26E 03	2 2	
13	559695	3627151				

Record Count: 16

**New Mexico Office of the State Engineer
Well Reports and Downloads**

Township: Range: Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic
☐ Domestic ☒ All

AVERAGE DEPTH OF WATER REPORT 04/29/2004

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
RA	18S	26E	03				8	30	70	52

Record Count: 8

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

April 29, 2004

Mr. Van Barton
New Mexico Oil Conservation Division, District II Office
1301 West Grand Ave.
Artesia, NM 88210

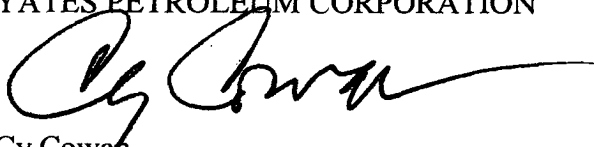
Re: Agnes BEB Com. #1
1200' FNL and 1800' FEL
Section 3, T18S-R25E
Eddy County, New Mexico

26E

Enclosed please find copies of the OCD approved drilling pit plans and schematics for the above captioned well.

Thank you,

YATES PETROLEUM CORPORATION


Cy Cowan
Regulatory Agent

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1912 - 1985
FRANK W. YATES
1936 - 1986



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TREASURER

April 14, 2004

Oil Conservation Division
State of New Mexico
Attn: Mr. Van Barton
1301 W. Grand Ave.
Artesia, NM 88210

Re: General Plan
Pit design and operation, Drilling Workover, and Blowdown.

Companies included in this plan are:

1. Yates Petroleum Corporation
2. Yates Drilling Company
3. Abo Energy Company
4. Myco Industries
5. Agave Energy Company

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Yates Petroleum Corporation Et Al is requesting approval to construct, use and close the above described pits, as per the attached diagrams the aforementioned pits will be lines as required, according to the rules and guidelines as set forth in Pit Rule 50.

The attached diagrams are standard pits used on all Yates Petroleum Et Al drilling and workover operations, minor changes may be needed from time to time to work safely with the terrain and environmental conditions on a site-specific basis.

All pits will be constructed to prevent contamination of fresh waters, human health, and the environment.

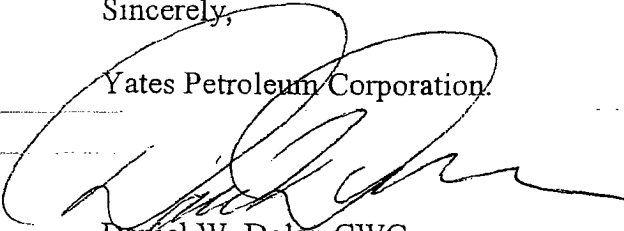
During operations, all pits will be fenced as required to maintain safety for livestock and wildlife.

When the pit is no longer used, it will be closed according to all applicable rules of the OCD, and all required reports will be submitted at that time.

If we can be further assistance, please feel free to call (505) 748-4181.

Sincerely,

Yates Petroleum Corporation.


Daniel W. Dolan CWC
Environmental Field Tech.



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

COPY CLIFF,
CY C
BIB A

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

15 April 2004

Yates Petroleum Corporation Et Al
Yates Petroleum Corp.
105 South 4th Street
Artesia, New Mexico 88210

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OCD-ARTESIA

RE:

General Plan for Pits Submitted 4-14-04.

Dear Mr. Dolan,

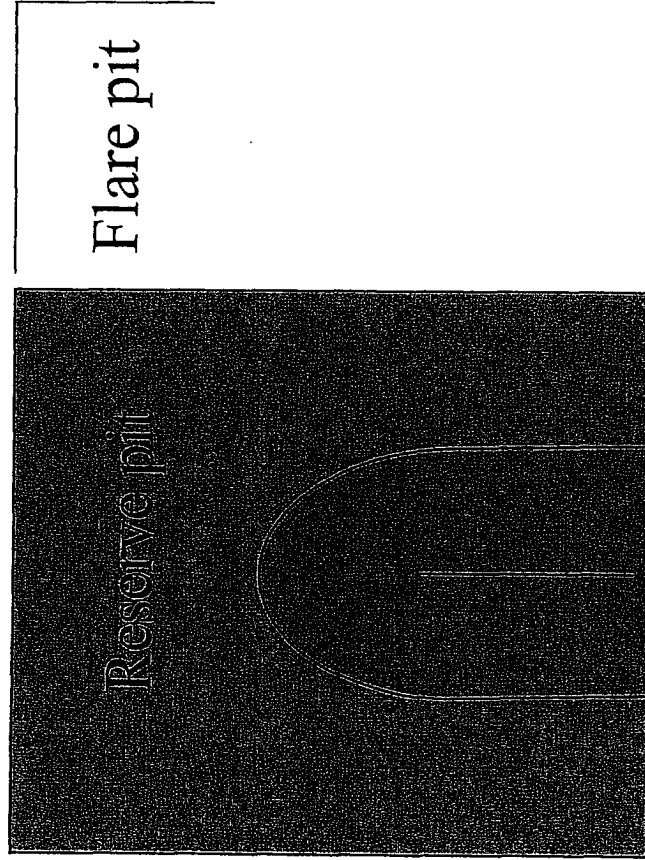
The Oil Conservation Division of Artesia is in receipt of your plan. The plan is hereby accepted and approved with the following provisions:

1. Approval of plan does not permit pits in any watercourse, lakebed, sinkhole, playa lake, or wetland. (19.15.2.50.C.2.a.)
2. Pits in groundwater sensitive areas or wellhead protection areas may be subject to additional measures or may not be allowed. This will be on site specific, case-by-case basis. (19.15.2.50.C.2.a.)
3. All pit encapsulations must meet all specific criteria including, but not limited to, site evaluation, liner thickness, and/or amount of and type of cover.
4. The Division may attach additional conditions to any permit upon a finding that such conditions are necessary to prevent the contamination of fresh water, or to protect public health or the environment. (19.15.2.50.C.3.G.1.)
5. Notify the Artesia O.C.D. 48 hours prior to the closing of any storage or production pit.
6. Notify the Artesia O.C.D. 48 hours prior to any sampling event.
7. Re-seeding mixture will be approved or authorized by surface owner.

If I can be of any further assistance, please feel free to call (505) 748-1283 ext. 109.

Sincerely,

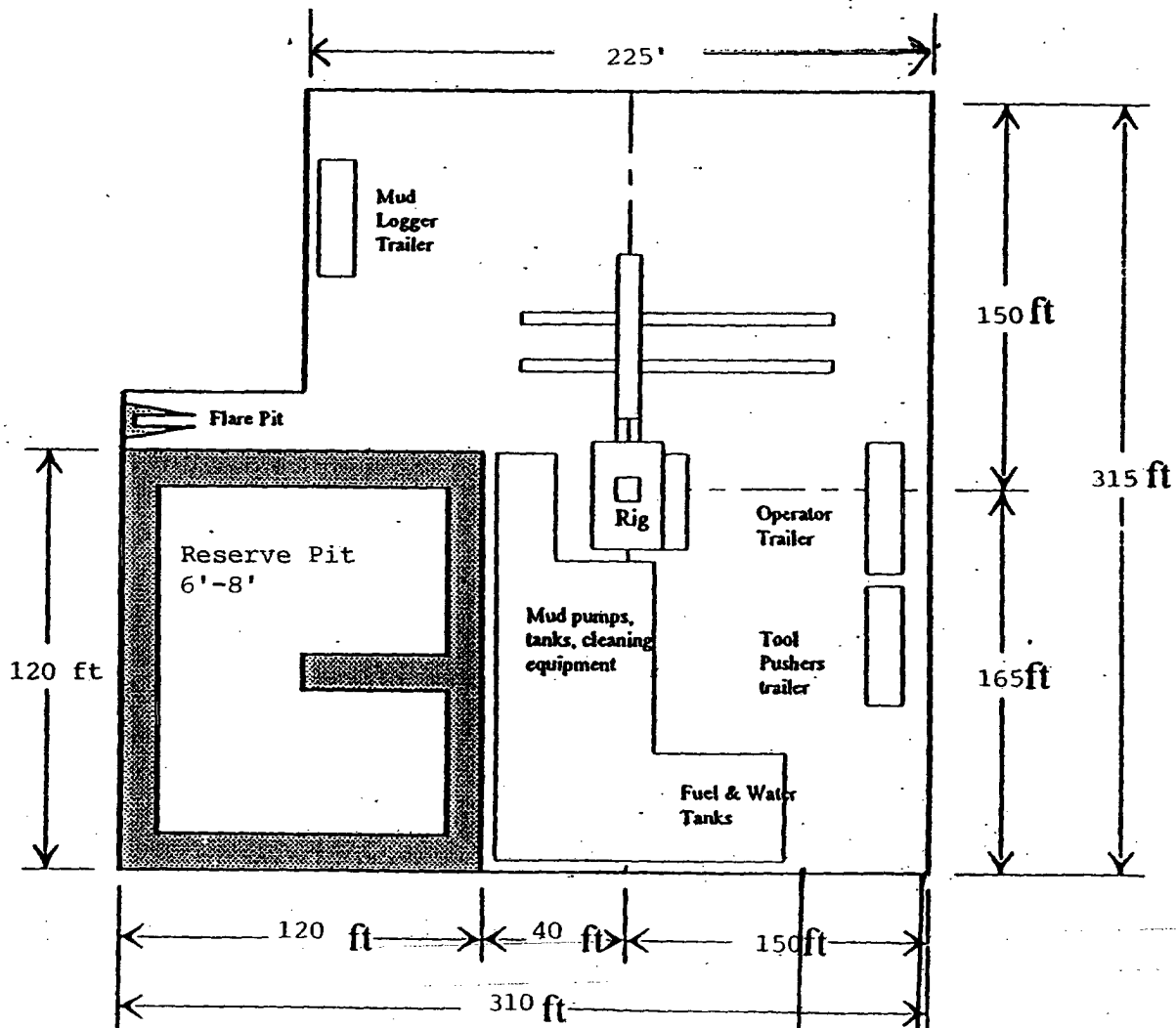
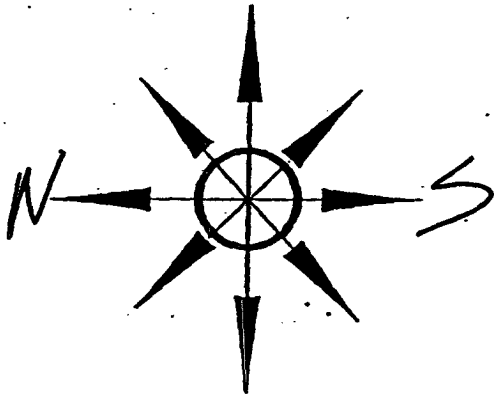
Van Barton



Standard reserve pit. All Reserve pits are double
Horse shoe size varies with depth of well

Yates Drilling Company

Location Layout for Permian Basin
Up to 12,000'



Distance from Well
Head to Reserve Pit
will vary between rigs

The above dimension
should be a maximum

ROAD