District I 1625 N. French Dr., Hobbs, NM 88240 District II 1501 W. Grand Avenue, Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-144 June 1, 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

District IV

Pit or Below-Grade Tank Registration or Closure MAR 1 0 2005 Is pit or below-grade tank covered by a "general plan"? Yes X No Type of action: Registration of a pit or below-grade tank \(\bigcup \) Closure of a pit or below-grade tank X OCD-ARTERIA Operator: Yates Petroleum Company Telephone: 505-748-4500 e-mail address: mikes@ypc.com Address: 105 South 4th Street, Artesia, N.M. 88210 Facility or well name: Jokers AWJ #3 API #: 30-005-63470 U/L or Qtr/Qtr I Sec 3 T 10S R 26E Latitude 33.47287 Longitude 104.27848 NAD: 1927 1983 X RECEIVED Surface Owner: Federal State X Private Indian JUN 0 8 2005 Pit Below-grade tank Type: Drilling X Production Disposal Volume: ____bbl Type of fluid: ___ ALCOT HA : COP Work over ☐ Emergency ☐ Construction material: Lined X Unlined Double-walled, with leak detection? Yes If not, explain why not. Liner type: Synthetic X Thickness 12 mil Clay Pit Volume 12,000 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) XXXX water elevation of ground water.) 100 feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic water (0 points)XXXX source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points)XXXX 10 POINTS Ranking Score (Total 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 your are burying in place) onsite X offsite If offsite, name of facility NA . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Tyes Tif 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 mixed to stiffen the pit contents. Encapsulation trench will be excavated and lined with a 12 mil. Synthetic liner on former drilling pit site. Drilling pit contents will then be emplaced into the encapsulation trench. A 20 mil. Synthetic liner will then be placed over the pit contents with a min. of a 3' over lap of the underlying trench areas. The encapsulation trenches will then be backfilled back to grade using a min of a 3' of clean soil and like material. A one call & CLOSURE FINAL 48 hour notice will be provided to the Oil Conservation Division before pit closure actions begin. DATE 6/6/2005 Pit Closure actions to begin by NA. Ending date NA

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 X , or an (attached) alternative OCD-approved plan 🗀.

Date: 03/09/2005

Printed Name/Title Vov Lollan KAC

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.

Approval:

MARTIN YATES, III 1912 - 1988 FRANK W YATES 1936 - 1986



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

S. P. YATES
CHARMAN OF THE BOURD
JOHN A. YATES
PRECIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

I certify that on 6/1/2005, tests were conducted on soil samples from the

30-005-63470 UT. I 3-105-26e Jokers AWJ #3

Following are results of those tests.

I'qrab Middle D.P. - 70 ppm.

EPA Method 9074, TPH I'qrab NW corner - 70 ppm.

I'qrab Middle O.P. - 78 ppm. CL.

EPA Method 9253, I'qrab NW corner - 34 ppm Ckr.

I'qrab Middle D.P. - 0 ppm.

PID Meter, BTEX. I'qrab NW corner - 0 ppm.

All testing was done at Yates Petroleum Corp., or on location.

Daniel W. Dolan CWC

Environmental Regulatory Agent