District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 District IV

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

Big Pelease date 12/31/04.

State of New Mexico Energy Minerals and Natural Resources

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

For drilling and production facilities, submit to

Form C-144

appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe

JUN 2 9 2005

Pit or Below-Grade Tank Registration or Closure

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 \(\sumeq\) Closure of a pit or below-grade tank X Operator: <u>Yates Petroleum Corporation</u> Telephone: <u>505-748-4500</u> e-mail address: <u>mikes@ypc.com</u> Address: 105 South 4th Street, Artesia, N.M. 88210 Facility or well name: Killer BEE State 7 API#: 30-005-63704 U/L or Qtr/Qtr M Sec 32 T 10S R 26E __ Latitude 33.39649 Longitude 104.3263 NAD: 1927 1983 X Surface Owner: Federal ___ State _X Private ___ Indian _ Pit Below-grade tank Volume: bbl Type of fluid: Type: Drilling X Production Disposal RECEIVED Work over ___ Emergency ___ Construction material: __ Double-walled, with leak detection? Yes If not, explain why not. Lined Unlined JUN 0 7 2005 Liner type: Synthetic ___ Thickness 12 mil Clay ___ OCD-MATERIA 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) water elevation of ground water.) 100 feet or more (0 points) XXXX RECEIVEL Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic water JUN 2 7 2005 Nο (0 points) XXXX source, or less than 1000 feet from all other water sources.) 900-ARTEUIA 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 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: (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 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: Registration for encapsulation trench. 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 3' over lap of the underlying trench areas. The encapsulation trenches will then be backfilled back to grade using a min. of 3' over lap of the underlying trench areas. The encapsulation trenches will then be backfilled back to grade using a min. of 3' over lap of the underlying trench areas. DATE 6/21/2005 48 hour notice will be provided to the Oil Conservation Division before pit closure actions begin. 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: 06/06/2005 Printed Name/Title Dan Dolan / Regulatory Agent 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: JUN 102005 Printed Name/Title Signature Accepted for record - NMOCD