

District I
1625 N. French Dr. Hobbs, NM 88240
District II
301 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
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 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 Lucille BKU State Com #1 API # 30-025-38593 U/L or Qtr/Qtr B Sec 5 T 12S R 32E
County Lea Latitude 33 31315 Longitude 103 73762 NAD 1927 ☒ 1983 ☐
Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

| | | |
|---|--|------------------|
| Pit Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Work over <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>24000</u> bbl | Below-grade tank Volume _____ bbl Type of fluid _____ Construction material _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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 | (20 points) XXXX |
| | 50 feet or more, but less than 100 feet | (10 points) |
| | 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) | Yes | (20 points) |
| | No | (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 | (20 points) |
| | 200 feet or more, but less than 1000 feet | (10 points) |
| | 1000 feet or more | (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 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
(Originally submitted C144 3/18/08 -- monitor well information attached)

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 05/02/2008

Printed Name/Title Mike Stubblefield / Environmental 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 CHRIS WILLIAMS / DIST. SUPERVISOR

Signature Chris Williams

Date 6/04/08



WELL REPORT

LUCILLE BKU STATE COM #
30-025-38593

| | | | | |
|---|--------------------------|---|---------------------------------|--------------------------------------|
| 1) Well Location | | | | |
| County | Physical Address | City | State | Zip |
| Lea | 5 mi S of Caprock CR-159 | Caprock | NM | 88220 |
| 2) GPS Coordinates | | | | |
| Latitude | | Longitude | GPS Brand | |
| 33° 18' 48.2" | | 103° 44' 19.12" | | |
| 3) Proposed Use of Well (Check One) | | | | |
| <input checked="" type="checkbox"/> Monitor Well | | <input type="checkbox"/> Soil Boring | | <input type="checkbox"/> Other _____ |
| 4) Drilling Dates | | | | |
| Start Date | | Completion Date | | |
| 4/9/2008 | | 4/9/2008 | | |
| 5) Diameter of Hole | | | | |
| Diameter (inches) | | From (Feet) | To (Feet) | |
| 5 5/8" | | 0' | 60' | |
| 6) Drilling Method (Check One) | | | | |
| <input checked="" type="checkbox"/> Air Rotary | | <input type="checkbox"/> Mud Rotary | <input type="checkbox"/> H.S.A. | <input type="checkbox"/> Other _____ |
| 7) Monitor Well / Soil Boring Number | | | | |
| MW # 1 | | SB # | | |
| 8) Well/Boring Soil Description | | | | |
| From (Feet) | To (Feet) | Description and color of formation material | | |
| 0 | 27 | White Caliche | | |
| 27 | 35 | Sandy loam, tan | | |
| 35 | 45 | rock, sand and gravel mix | | |
| 45 | 60 | Sandy loam, with some rock | | |
| * boring collapsed at 47' | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| 9) Borehole Completion (Sanding information) | | | | |
| Gravel From | Gravel To (Feet) | Sand Size | Bags Used | |
| 5 | 47 | 8/16 | 25 | |
| 10) Borehole Completion (Casing information) | | | | |
| Screen From | Screen To (Feet) | Material | Diameter | Screen Slot Size |
| 7 | 47 | PVC | 2" | 0.010" |
| Casing From | Casing To (Feet) | Material | Diameter | Casing Schedule |
| 0 | 7 | PVC | 2" | Sch 40 |
| 11) Cementing Data | | | | |
| | From | To | Sacks and Material | |
| Surface Seal | ft. | ft. | NA | |
| Seal to Bent | 0 ft | 5 ft. | 1 Bentonite | |
| 12) Water Level | | 13) Water Quality | | |
| 35 ft below ground surface | | Did the water contain fuel (PSH)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| 14) # Drums | 15) Job # | 16) Driller | | |
| | YATESP075DRL | Gabe Perez | | |
| 17) Owner Information | | | | |
| Yates Petroleum (Lucille BKU State Com #1, Mike Stubblefield) | | | | |



April 10, 2008

Mr. Larry Johnson
NMOCD District 1 Office
1625 N French Dr
Hobbs, New Mexico 88240

Re: Temp Monitor Well - Final Report

Operator: Yates Petroleum Company
Lease Name: Lucille "BKU" State Com 01
Legal: Sec 5- T12S - R32E
API: 30-025-38953

Dear Mr. Johnson:

On April 9, 2008 Talon/LPE was contracted by Yates Petroleum Company to drill a temporary monitor well at the Lucille "BKU" State Com 01 in Lea County, New Mexico to determine actual depth to water. Talon/LPE driller Gabe Perez drilled and set a temporary monitor well at GPS coordinates N33° 18' 48.2", W103° 44' 19.2" with Project Manager Shelly J. Tucker overseeing the drilling operations. The temporary monitor well was drilled to a depth of 60' but the hole caved in and final TD was 47'. The well was allowed set for 120 hours before it was checked with a water level indicator.

On April 14, 2008 Shelly J. Tucker of Talon/LPE tested the well for water and found the depth to water to be at 29.8 feet. A water sample was pulled in accordance to NMOCD guidelines and sent to Trace Analysis for testing. A copy of the boring log and analyticals are attached hereto.

At this time Talon/LPE and Yates Petroleum Company are requesting that this information be accepted for official record and to adjust their site ranking accordingly. If you should have any questions please feel free to contact me at 505-706-9121 or 505-706-7234.

Respectfully Submitted,

Shelly J. Tucker
Project Manager
Talon/LPE

APPROVED FOR OFFICIAL FILE
ENGINEERING
DEPARTMENT
CIVIL ENGINEERING
HOBBS, NEW MEXICO

New Mexico Office of the State Engineer
POD Reports and Downloads

LUCILLE BKU STATE COM
30-025-38593

Township: 12S Range: 32E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

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

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

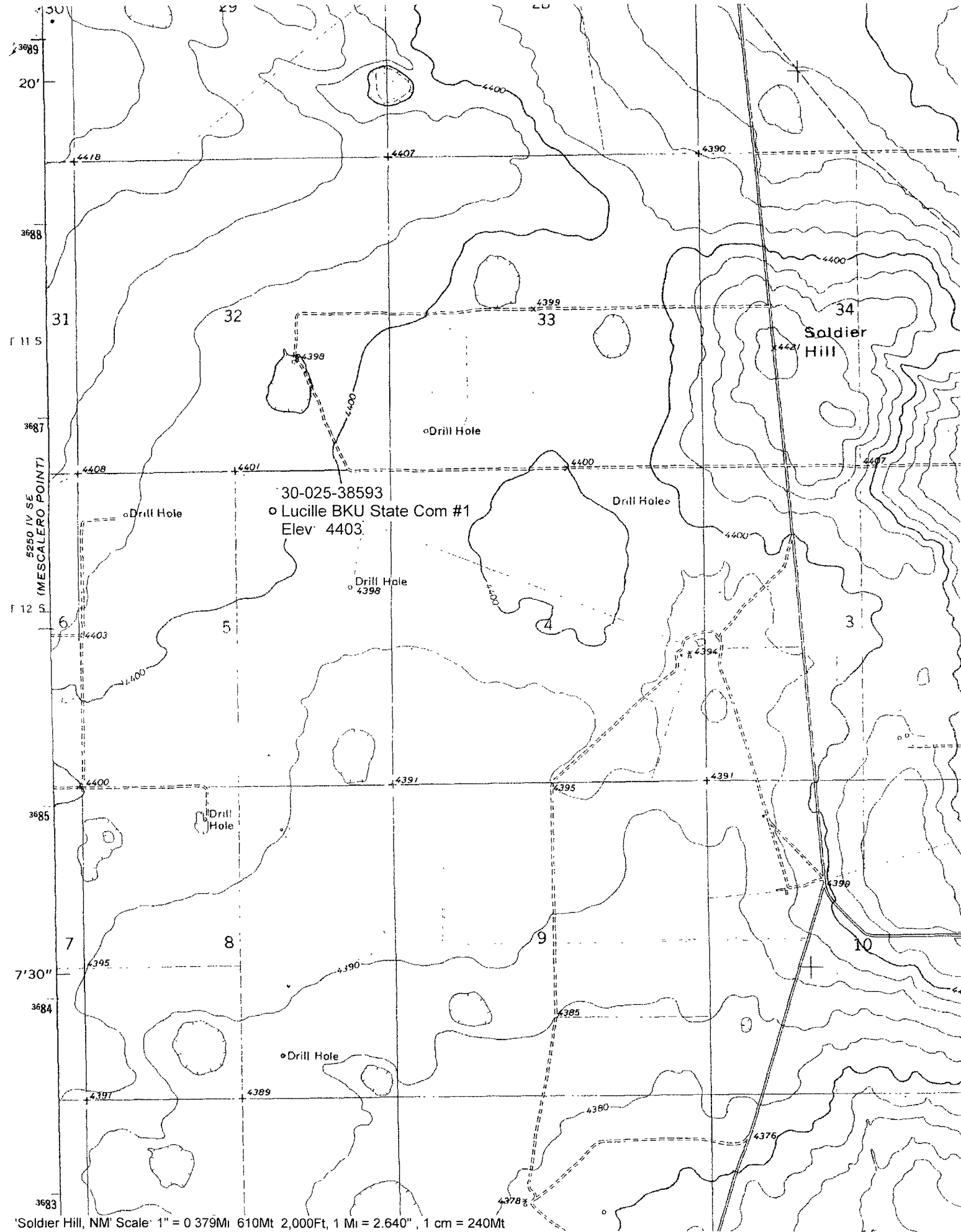
iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 05/02/2008

| Bsn | Tws | Rng | Sec | Zone | X | Y | Wells | (Depth Water in Feet) | | |
|-----|-----|-----|-----|------|---|---|-------|-----------------------|-----|------|
| | | | | | | | | Min | Max | Avg |
| L | 12S | 32E | 02 | | | | 2 | 50 | 60 | 60 |
| L | 12S | 32E | 06 | | | | 1 | 59 | 59 | 59 ✓ |
| L | 12S | 32E | 08 | | | | 2 | 110 | 110 | 110 |
| L | 12S | 32E | 10 | | | | 1 | 81 | 81 | 81 |
| L | 12S | 32E | 14 | | | | 3 | 85 | 85 | 88 |
| L | 12S | 32E | 17 | | | | 1 | 61 | 61 | 60 |
| L | 12S | 32E | 18 | | | | 1 | 84 | 84 | 84 |
| L | 12S | 32E | 19 | | | | 2 | 50 | 53 | 52 |
| L | 12S | 32E | 23 | | | | 7 | 86 | 86 | 86 |
| L | 12S | 32E | 30 | | | | 1 | 110 | 110 | 110 |
| L | 12S | 32E | 32 | | | | 2 | 145 | 145 | 145 |

Record Count: 12



'Soldier Hill, NM' Scale: 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2.640", 1 cm = 240Mt