

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

RECEIVED  
APR 30 2004  
O&B-ARTESIA

**Pit or Below-Grade Tank Registration or Closure**

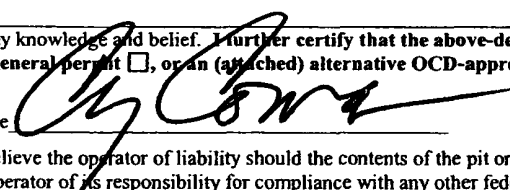
Is pit or below-grade tank covered by a "general plan"? Yes  No   
Type of action: Registration of a pit or below-grade tank  Closure of a pit or below-grade tank

Operator: Yates Petroleum Corporation Telephone: 748-1471 e-mail address: \_\_\_\_\_  
Address: 105 South Fourth Street, Artesia, NM 88210  
Facility or well name: Medano VA State #9 API #: \_\_\_\_\_ U/L or Qtr/Qtr NE/SE Sec 16 T 23S R 31E  
County: Eddy Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927  1983  Surface Owner Federal  State  Private  Indian

Pit	Below-grade tank	
Type: Drilling X Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined X Unlined <input type="checkbox"/> Liner type: Synthetic X Thickness <u>20</u> mil Clay <input type="checkbox"/> Volume _____ bbl	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.) N/A	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) N/A ( 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) N/A ( 0 points)
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) N/A ( 0 points)
<b>Ranking Score (Total Points)</b>		N/A

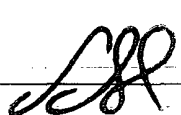
**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite X offsite  If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start 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.

MAY 10 2004

Approval: \_\_\_\_\_  
Date: \_\_\_\_\_  
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 30, 2004

**Water Well Information**

**Re: Medano VA State #9  
1980' FSL and 330' FEL  
Section 16, T23S-R31E  
Eddy County, New Mexico**

**The State Engineers Web Site has been accessed for the captioned well. There were no records found of ground water depth, water well, or any indication of any surface water in the area surrounding this well location.**

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

Township: 23S Range: 31E Sections: 16

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

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

Well / Surface Data Report	Avg Depth to Water Report	Water Column Report
	Clear Form	WATERS Menu Help

WELL / SURFACE DATA REPORT 04/29/2004

DB File Nbr	(acre ft per annum) Use	Diversion	Owner	Well Number	(quarters quarters Source
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No Records found, try again

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 30, 2004

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

Re: Medano VA State #9  
1980' FSL and 330' FEL  
Section 16, T23S-R31E  
Eddy County, New Mexico

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

Thank you,

YATES PETROLEUM CORPORATION

A handwritten signature in black ink, appearing to read 'Cy Cowan', is written over a horizontal line. The signature is fluid and cursive.

Cy Cowan  
Regulatory Agent

MARTIN YATES, III  
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

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.

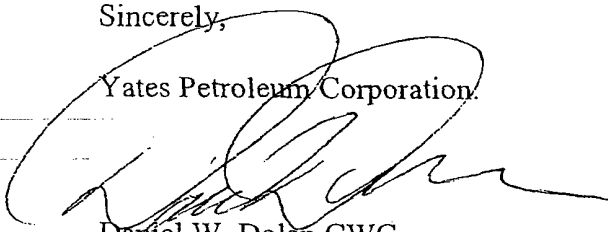
During operations, all pits will be fenced as required to maintain safety for livestock and wildlife.

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

RE:  
General Plan for Pits Submitted 4-14-04.

Dear Mr. Dolan,

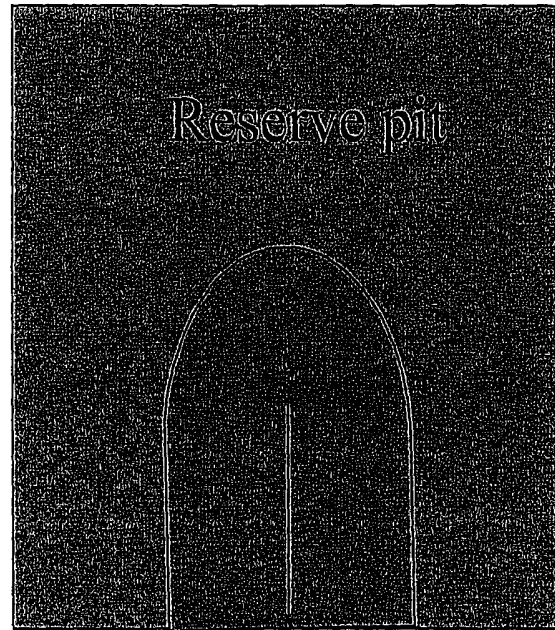
The Oil Conservation Division of Artesia is in receipt of your plan. The plan is hereby accepted and approved with the following provisions:

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

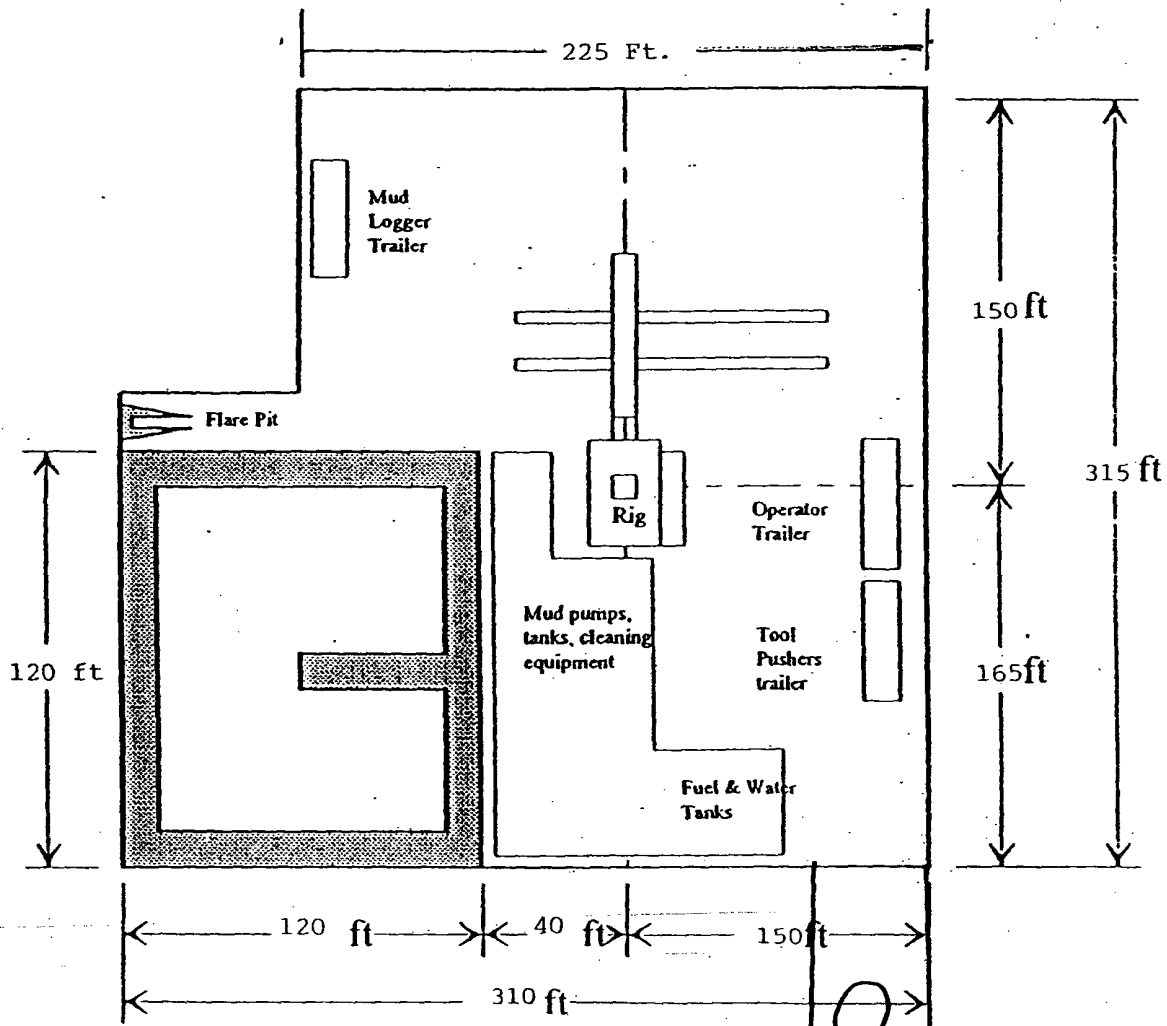
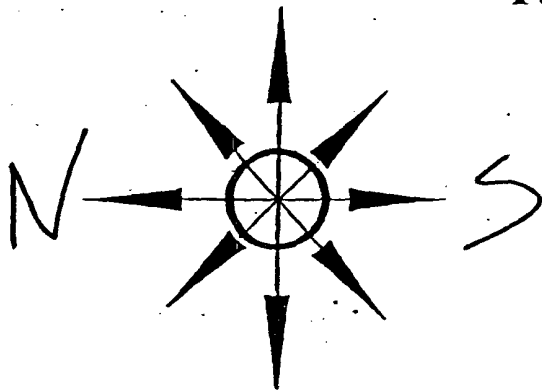


Flare pit

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

# Yates Petroleum Corporation

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