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

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Form C-144 June 1, 2004

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 X No
Type of action: Registration of a pit or below-grade tank
Closure of a pit or below-grade tank X Operator: Yates Petroleum Corporation Telephone: 505-748-4500 e-mail address: mstubblefield@state.nm.us Address: 105. South 4th street, Artesia, N.M. 88210 Facility or well name: Kirby BCK Fed. Com. #1 API #: 30-005-63573 U/L or Otr/Otr F Sec 21 T 10s R 26e Latitude __ 33.42551 Longitude 104.30465 NAD: 1927 □ 1983 X County: Chaves Surface Owner: Federal X State Private Indian Pit Below-grade tank RECEIVED Type: Drilling X Production Disposal Volume: ___ _bbl Type of fluid: __ Work over ☐ Emergency ☐ Construction material: JAN 1 3 2005 Double-walled, with leak detection? Yes I If not, explain why not. Lined X Unlined Liner type: Synthetic Thickness 6 mil Clay Pit Volume 18,000 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 50 feet or more, but less than 100 feet (10 points)X high 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 No (0 points)X water 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)X 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 I 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. 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 backfilled back to grade using a min. of 3' of clean soil and like material. A one call & 48 hour notice will be provide to the Oil Conservation Division before pit closure actions began. Pit Closure actions to begin by NA. Ending date NA. Mud seed will be applied to the closed pit area. 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 \square , a general permit X, of an (attached) alternative OCD-approved plan \square . Date: 1/13/2005 ENUNO FERT Printed Name/Title Day What Thes Abbert 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:

Printed Name/Title Mike Bratcher Compliant Officer Signature Mile Bruscher Date: 1/30/05