1625 Nr. 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

Energy Minerals and Natural Resources

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.

Form C-144

June 1, 2004

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-mai Address: 105 South 4 th Street, Artesia, N.M. 88210 Facility or well name: Cottonwood Federal 5 API #: 30-005-63448 U/L or Qt County: Chaves Latitude 33.76414 Longitude 1 Surface Owner: Federal X State Private Indian	r/Qtr_ <u>J_Sec_26_T_6SR_25E</u>	RECEIVEL JUL 2 0 2005 OCD-ANTESIA
Pit Type: Drilling X Production Disposal Work over Emergency Lined X Unlined Liner type: Synthetic X Thickness 12 mil Clay Pit Volume 12,000 bbl	Below-grade tank Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes If not, exp	RECEIVED
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	50 feet or more, but less than 100 feet 100 feet or more	(10 points) (0 points) XXXX
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 Less than 200 feet	(20 points) (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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (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 Yes If yes, show depth below ground surface fit, 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. Propose that drill cuttings from the Spring Deep Federal 4, Sec 5, T6S, R26E be transferred to this site and placed with existing pit contents. 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' of clean soil and like material. A one call & 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 Amendment to previously submitted form dated 2/7/05 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: 06/16/2005 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: Field Supervisor Printed Name/Title	Signature	DaJUL 22 2005