

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  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@vpcnm.com  
Address: 105 South 4<sup>th</sup> Street, Artesia, N.M. 88210  
Facility or well name: Pinwheel BDP State 2 API #: 30-005-63635 U/L or Qtr/Qtr A Sec 36 T 8S R 25E  
County: Chaves Latitude: 33.58185 Longitude: 104.34748 NAD: 1927  1983   
Surface Owner: Federal  State  Private  Indian

|  |  |  |
|--|--|--|
| <b>Pit</b><br>Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/><br>Work over <input type="checkbox"/> Emergency <input type="checkbox"/><br>Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/><br>Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/><br>Pit Volume <u>12,000</u> bbl | <b>Below-grade tank</b><br>Volume: _____ bbl Type of fluid: _____<br>Construction material: _____<br>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<br>50 feet or more, but less than 100 feet<br>100 feet or more |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)  | Yes<br>No  | (20 points)<br>( 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<br>200 feet or more, but less than 1000 feet<br>1000 feet or more   | (20 points)<br>(10 points)<br>( 0 points) XXXX                                   |
| <b>Ranking Score (Total Points)</b>  |  | <b>20 points</b>   |

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SEP 14 2005  
OCD-ARTESIA

**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 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 \_\_\_\_\_ 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. An encapsulation trench will be constructed and lined with 12 mil synthetic liner next to existing drilling pit. The drilling pit contents will be excavated and emplaced into the encapsulation trench using a mixture of three to one pit material and Class H bulk cement or CKD. The emulsion of pit material and cement will be mixed using a track hoe and water added if needed. After completion of solidifying pit material in cement and pit contents have set in place for a minimum of 24 hours, the encapsulation trench will then be capped using a 20 mil synthetic liner and backfilled to grade using a minimum of 3' of like material and clean soil. A one call and 48 hour notification to OCD will be made before pit closure action begins. Beginning pit closure date: N/A. Ending pit closure date: N/A

**As a condition of approval, if during pit construction water is encountered or if water seeps in pits after construction the OCD MUST BE CONTACTED IMMEDIATELY!**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further **been/will be constructed or closed according to NMOCD guidelines** , a general permit , or an (attache  
Date: 09/12/2005  
Printed Name/Title Mike Stubblefield / 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 Field Supervisor Signature \_\_\_\_\_ Date: SEP 20 2005

RR 4/2/04.

New Mexico Office of the State Engineer  
Well Reports and Downloads

PINWHEEL BDP STATE 2

Township: 08S Range: 25E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

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

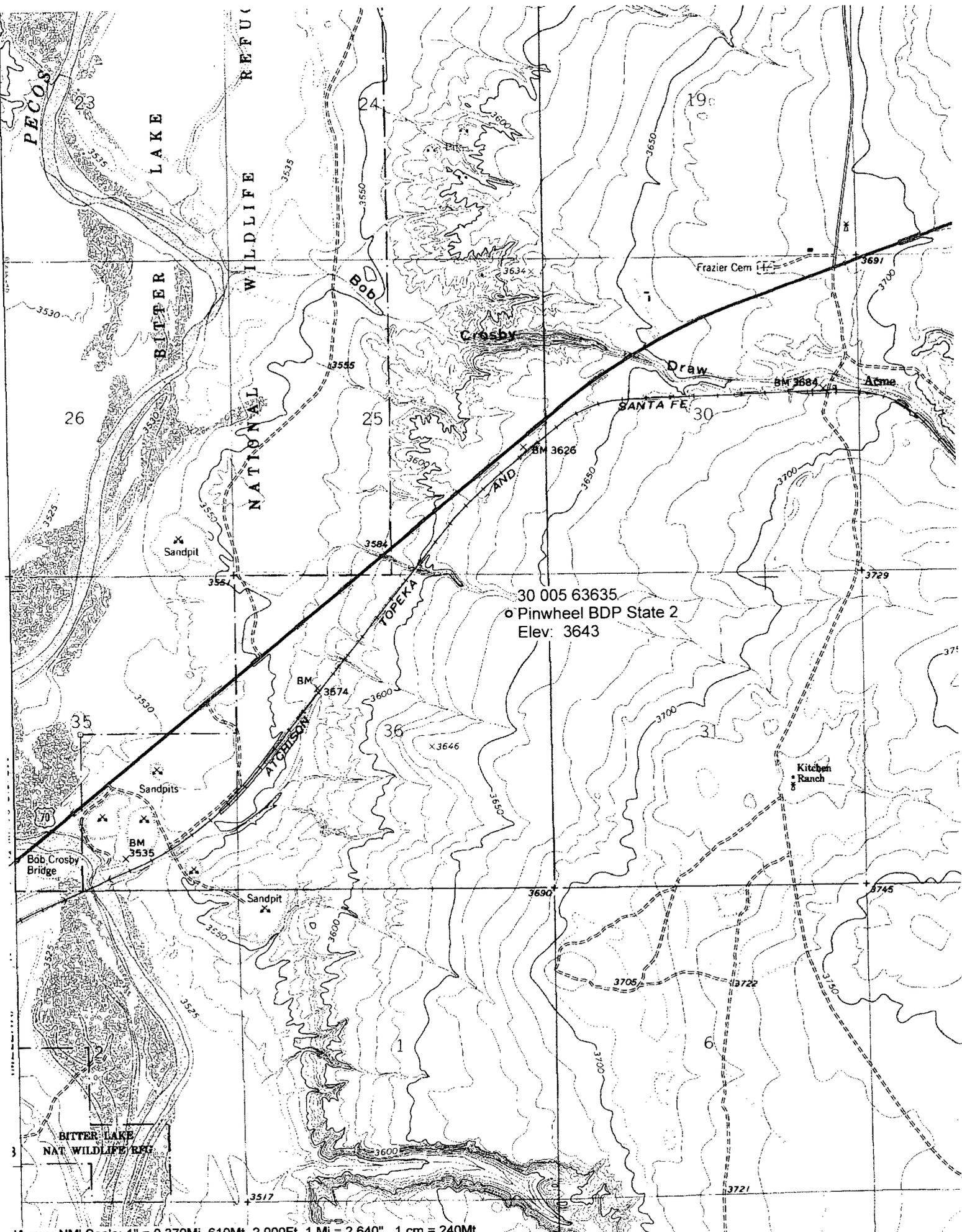
Well / Surface Data Report Avg Depth to Water Report Water Column Report

Clear Form WATERS Menu Help

AVERAGE DEPTH OF WATER REPORT 09/12/2005

| Bsn | Tws | Rng | Sec | Zone | X | Y | Wells | (Depth Water in Feet) |     |     |
|-----|-----|-----|-----|------|---|---|-------|-----------------------|-----|-----|
|     |     |     |     |      |   |   |       | Min                   | Max | Avg |
| RA  | 08S | 25E | 01  |      |   |   | 1     | 68                    | 68  | 68  |
| RA  | 08S | 25E | 09  |      |   |   | 1     | 109                   | 109 | 109 |
| RA  | 08S | 25E | 10  |      |   |   | 1     | 21                    | 21  | 21  |
| RA  | 08S | 25E | 31  |      |   |   | 2     | 35                    | 78  | 57  |
| RA  | 08S | 25E | 36  |      |   |   | 1     | 35                    | 35  | 35  |

Record Count: 6

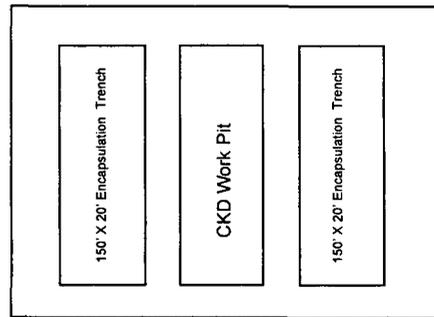


30 005 63635  
 o Pinwheel BDP State 2  
 Elev: 3643

# YATES PETROLEUM CORPORATION

## Reserve Pit Solidification Procedure

1. Diagram of deep burial trench(s) is provided with application for closure (form C-144)



Reserve pit 150' x 150'

2. **Solidification of Cuttings:**
  - (A) The cuttings will be mixed with a track hoe. Contents will be lifted and dropped so as to create a stirring process. This process will continue until CKD and pit contents are thoroughly bonded.
  - (B) The solidification material will be Cement Kiln Dust (CKD).
  - (C) CKD to pit contents ratio will be 1 yard of pit contents to 240 lbs. of CKD or 1,000 cubic yards of pit contents to 120 tons of CKD. Pit contents will be measure to determine actual volume (length x width x depth /27). CKD is weighed and delivered to the site in 40,000 lb increments.

A 1,200 cubic yard work pit is constructed inside the original reserve pit beside the encapsulation/solidification trench. One thousand cubic yards of pit contents will be placed in the work trench along with six 20 ton loads of CKD to begin the mixing process.
  - (D) Fresh water may be introduced to initiate the bonding process of CKD and pit contents.
  - (E) In order to assure proper mixing, all CKD is precisely weighed before delivery and pit construction is measured to a pre-determined need depending on exact volume of pit contents.
3. A minimum of three representative samples will be taken from pit contents prior to any work. These samples will be stored in closed containers.

4. Each stage being mixed will be sampled prior to transferring the slurry to the deep trench as follows:
  - (A) One sample of the slurry will be taken at the beginning of the transference and stored in a closed container.
  - (B) One sample of the slurry will be taken at the beginning of the transference and stored in an open container.
  - (C) One sample of the slurry will be taken at the end of the transference and stored in a closed container.
  - (D) One sample of the slurry will be taken at the end of the transference and stored in an open container.
5. All samples will be stored in environmentally approved containers.
6. All samples and associated paperwork will be delivered to the OCD office within 3 working days of closure.