

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Santa Fe, NM 87510
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 ☒

JAN 14 2008
OCD-ARTESIA

SEP 04 2007
OCD-ARTESIA

Operator Vates Petroleum Corporation Telephone 505-748-4500 e-mail address mikes@vpcnm.com
Address 105 South 4th Street, Artesia, N.M. 88210
Facility or well name Valur BCV State Com #2 AP1 # 30-005-63677 U/I or Qtr/Qtr B Sec 2 T 8S R 26E
County Chaves Latitude 32 65427 Longitude 104 26467 NAD 1927 ☒ 1983 ☐
Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit	Below-grade tank
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 mil</u> Clay <input type="checkbox"/> Pit 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)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (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 (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) XXXX 1000 feet or more (0 points)
Ranking Score (Total Points)	
10 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 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 workplan for drilling pit. The drilling pit contents will be mixed to stiffen the pit contents. An 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 minimum of a 3' over lap of the underlying trench areas. The encapsulation trench will then be backfilled to grade using a minimum of 3' of clean soil and like material. A one call and 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

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 08/30/2007

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature Michael 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.

See Attached
Stipulations

Approval Gerry Guyo

Printed Name/Title Compliance Officer

Signature Gerry Guyo

Date

SEP 5 2007

Accepted for record
NMOCD

PIT CLOSURE FINAL

JAN 14 2008 DATE 11/28/2007

I certify that on 11/19/2007, tests were conducted on soil samples from the «Value BCV State Com. #2».

Following are the results of those tests:

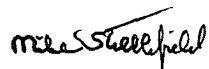
SAMPLE POINT	TPH (EPA Method 9074)	CHLORIDES (EPA Method 9253)	BTEX (PID Meter)
N.W. Corner of drilling pit 12' depth.	0 ppm	879 ppm	0 ppm
N.E. corner of drilling pit 12' depth	0 ppm	1594 ppm	0 ppm
S.W. corner of drilling pit 12' depth	0 ppm	2992 ppm	0 ppm
S.E. corner of drilling pit 12' depth	0 ppm	1077 ppm	0 ppm

ALL RESULTS ARE PPM

* All soils samples tested were a 5 spot composite.

All testing was done at Yates Petroleum Corporation or on location.

Respectfully,



Mike Stubblefield
Environmental Regulatory Agent

I certify that on «11/20/2007», tests were conducted on soil samples from the «Value BCV State Com. #2».

Following are the results of those tests:

SAMPLE POINT	TPH (EPA Method 9074)	CHLORIDES (EPA Method 9253)	BTEX (PID Meter)
NW corner of drilling pit 27' depth.		70 ppm	
NE corner of drilling pit 27' depth		56 ppm	
SW corner of drilling pit 26' depth		141 ppm	
SE corner of drilling pit 27' depth		425 ppm	

ALL RESULTS ARE PPM

All testing was done at Yates Petroleum Corporation or on location.

Respectfully,



Mike Stubblefield
Environmental Regulatory Agent