

District I  
1625 F. 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  
June 1, 2004



Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOC 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 ☒

MAR 24 2008

OCD-ARTESIA

Operator Yates Petroleum Corporation Telephone 505-748-4500 e-mail address mikes@vpcnm.com

Address 105 South 4th Street, Artesia, NM 88210

Facility or well name Clayton B+O State Com #3 API # 30-015-35746 U/L or Qtr/Qtr N Sec 16 T 19S R 26E

County Eddy Latitude 32.65499 Longitude 104.38962 NAD 1927 ☒ 1983 ☐

Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

OCT 19 2007  
OCD-ARTESIA

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 <u>24,000</u> bbl	Volume <u>      </u> bbl Type of fluid <u>      </u> Construction material <u>      </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not <u>      </u>
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) XXXX 100 feet or more (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 (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) 1000 feet or more (0 points) XXXX
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 work plan 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 NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date 10/17/2007

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature Mike Stubblefield

Your certification and NMOC 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 Guye

Printed Name/Title

Compliance Officer

Signature

Date

NOV -1 2007

Accepted for record

NMOC

MAR 25 2008

PIT CLOSURE FINAL

DATE 3/7/2008

**Stipulations for closing**  
**Of Pit**

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back filling. Notify NMOCD 24 hours prior to obtaining samples.

If burial trench is to be constructed in the pit area, samples are to be obtained from that area and analyses submitted to NMOCD prior to lining the pit, but after contaminated soils have been excavated from trench area.

Notify NMOCD 24 hours prior to beginning closure.

If pit is situated in an agricultural area pit contents must be hauled to an NMOCD approved disposal area.

I certify that on 2/29/2008 tests were conducted on soil samples from the  
 Following are the results of those tests:  
Clayton BFO State Com. #3.

SAMPLE POINT	TPH (EPA Method 9074)	CHLORIDES (EPA Method 9253)	BTEX (PID Meter)
NW corner drilling pit Cleaned out drilling pit bottom. 8' depth	0 ppm	184 ppm	0 ppm
NE corner drilling pit Cleaned out drilling pit bottom. 8' depth	0 ppm	113 ppm	0 ppm
SE corner drilling pit Cleaned out drilling pit bottom. 8' depth	0 ppm	113 ppm	0 ppm
SW corner drilling pit Cleaned out drilling pit bottom. 8' depth	0 ppm	141 ppm	0 ppm

ALL RESULTS ARE PPM

Memo note; Soil samples taken for the 8' depth were from the bottom of the cleaned out drilling pit area. Vertical delineation was the maximum with equipment on location.

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

Respectfully,

Mike Stubblefield  
 Environmental Regulatory Agent

*2/29/08 ocd/mike Brather gave Mike Stubblefield verbal approval  
 to backfill the cleaned out drilling pit area.*