

1625 N. French Dr., Hobbs, NM 88240  
District I  
1301 W. Grand Avenue, Artesia, NM 88210  
District II  
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

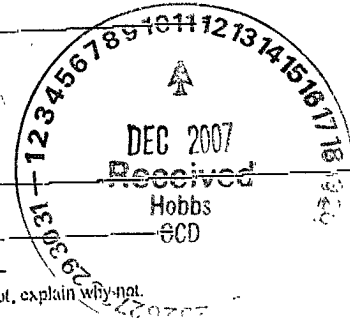
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate 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: mjkes@ynpsun.com  
Address: 105 South 4th Street, Artesia, NM 88210  
Facility or well name: Shipnery AZG Site #2 API #: 30-025-38487 1/L or Qr/Qr L Sec 9 T 10S R 34E  
County: Lea Latitude: 33.46441 Longitude: 103.47208 NAD: 1927  1983   
Surface Owner: Federal  State  Private  Indian



<b>Pit</b> 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: 12 mil Clay <input type="checkbox"/> Pit Volume: 24,000 bbl	<b>Below-grade tank</b> 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) <u>20</u> 50 feet or more, but less than 100 feet (10 points) <u>XXXX 10</u> 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) <u>XXXX</u>
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) <u>XXXX</u>
<b>Ranking Score (Total Points)</b>	
<b>10 POINTS 20/10</b>	

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 off site, 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. A 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.

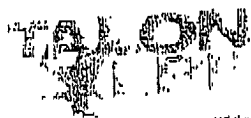
Pit Closure actions to begin by NA, ending date NA Drilled monitor well - dy @ 70'

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 . NA appl.

Date: 10/17/2007  
Printed Name/Title: Mike Stubbins / Environmental Regulatory Agent  
Signature: Mike Stubbins

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 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: CARIS WILLIAMS Signature: Chris Williams Date: 12/10/07

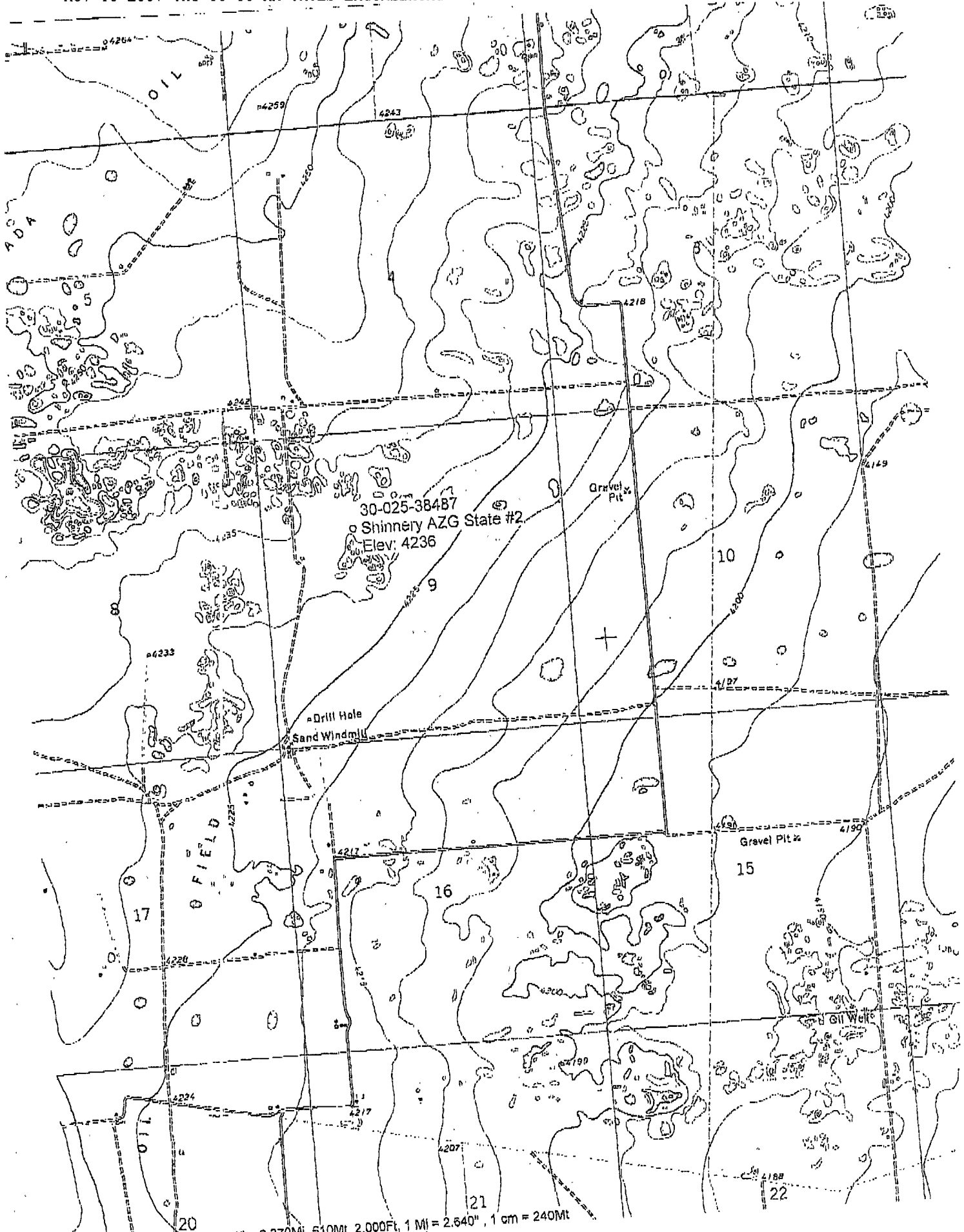
MEBLE STATE #13



# WELL REPORT

<b>D Well Location</b>		City	State	Zip
County	Physical Address	City	State	Zip
249	CROSS ROADS N.M.	CROSS ROADS	N.M.	
<b>27 Well Coordinates</b>		Longitude		
Latitude		Longitude		
33° 26' 56" N		103° 26' 16" W		
<b>Well Purpose (Check One)</b>		<input type="checkbox"/> Other		
<input type="checkbox"/> Monitor Well		<input checked="" type="checkbox"/> Soil Boring		
<b>Well Dates</b>		Completion Date		
Start Date		Completion Date		
<b>Well Borehole</b>		From (Feet)	To (Feet)	
Diameter (Inches)		0	70	
7 7/8				
<b>Well Drilling Method (Check One)</b>		<input type="checkbox"/> Other		
<input type="checkbox"/> Air Rotary		<input type="checkbox"/> Mud Rotary		
		<input checked="" type="checkbox"/> H.S.A.		
<b>Well or Well/Sol Boring Number</b>		SB # 1		
MW #		SB # 1		
<b>Well Borehole Soil Description</b>		Description and color of formation material		
From (Feet)	To (Feet)	Description and color of formation material		
0	3	Light Brown Tan soil		
3	10	Light tan silty calcareous		
10	18	Hard calcareous rock		
18	27	Light tan calcareous sandstone		
27	35	Light tan calcareous		
35	48	Light tan calcareous		
48	70	Light greenish gray clay		
<b>Drilling Completion (Sanding Information)</b>		Gravel From	Gravel To (Feet)	Sand Size
		0	0	0
<b>Drilling Completion (Sanding Information)</b>		Screen From	Screen To (Feet)	Material
		0	0	0
<b>Drilling Completion (Sanding Information)</b>		Casing From	Casing To (Feet)	Material
		0	0	0
<b>11) Cementing Data</b>		Cement From	Cement To	Number of Sacks Used
Surface Seal	0 ft.	25	ft.	1 count
Seal to Bent	2	70	ft.	10 counts
<b>12) Water Level</b>		<b>13) Water Quality</b>		
4 ft. ft below ground surface		Did the water contain fuel (PSH)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>14) Driller</b>		<b>15) Driller</b>		
0		TROY LUCAS		
<b>17) Owner Information</b>		Yates P027 SPL 2		

Revised 10/02/06



'Johnson Ranch; NM' Scale: 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2,640", 1 cm = 240Mt