

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 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-mail address: mikes@ypc.com
Address: 105 South 4th Street, Artesia, N.M. 88210
Facility or well name: Dice State Unit 2 API #: 30-005-63715 U/L or Qtr/Qtr M Sec 15 T 10S R 26E
County: Chaves Latitude 33.43994 Longitude 104.29146 NAD: 1927 ☐ 1983 X
Surface Owner: Federal State ☒ Private Indian ☐

<u>Pit</u>	<u>Below-grade tank</u>	
Type: Drilling X Production <input type="checkbox"/> Disposal <input type="checkbox"/> Work over <input type="checkbox"/> Emergency <input type="checkbox"/> Lined X Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>12,000</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	RECEIVED APR 06 2005 OCD-ARTESIA
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) XXXX (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 No	(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)	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 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 _____ ft. and attach sample results.
(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: Registration for encapsulation trench. 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

PIT CLOSURE FINAL

DATE 6/21/2005

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: 04/05/2005

Printed Name/Title Dan Dolan / Regulatory Agent

Signature [Signature]

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 [Signature]

Signature [Signature]

Date: APR 12 2005

* Rig release date 8/15/2005.

Accepted for record
NMOCD

AUG 04 2005

MARTIN YATES, III
1912 - 1988
FRANK W. YATES
1926 - 1988



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
REYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

I certify that on 6/9/2005, tests were conducted on soil samples from the

30-005-63715 UTM 15-10S-26E Dice STATE UNIT #2 Wellbore PIT.

Following are results of those tests.

EPA Method 9074, TPH See Analytical by ASSAIGAI Lab.

N. - sidewall W.P. - 34 ppm.

W. sidewall W.P. - 38 ppm. E. sidewall 38 ppm.

EPA Method 9253, Bottom W.P. - 34 ppm, S. sidewall 38 ppm.

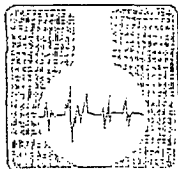
N. sidewall W.P. - 0 ppm

W. sidewall W.P. - 0 ppm E. sidewall W.P. - 0 ppm.

PID Meter, BTEX, Bottom W.P. - 0 ppm, S. sidewall W.P. - 0 ppm

All testing was done at Yates Petroleum Corp., or on location.

Daniel W. Dolan CWC
Environmental Regulatory Agent



ASSAIGAI ANALYTICAL LABORATORIES, INC.

4301 Masthead NE • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259

3332 Wedgewood, Ste. N • El Paso, Texas 79925 • (915) 593-6000 • FAX (915) 593-7820
127 Eastgate Drive, 212-C • Los Alamos, New Mexico 87544 • (505) 662-2558

YATES PETROLEUM CORP.
attn: DAN DOLAN
105 S. 4TH STREET
ARTESIA

NM 88210

Explanation of codes	
B	Analyte Detected in Method Blank
E	Result is Estimated
H	Analyzed Out of Hold Time
N	Tentatively Identified Compound
S	Subcontracted
1-9	See Footnote


STANDARD

Assaigai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: YATES PETROLEUM CORP.
Project: DICE #2, RITA T2 #5, ZINGARO ANG #2
Order: 0506240 YAT01 Receipt: 06-10-05


William P. Blevins, President of Assaigai Analytical Laboratories, Inc.

Sample: DICE #2
Matrix: SOIL

Collected: 06-02-05 13:30:00 By:

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0506240-01A		SW846 5035B/8015B	GRO by GC/FID					By: TRS		
V05079	XG.2005.986.10		Gasoline Range Organics	ND	mg / Kg	1	0.55	1, H	06-21-05	06-21-05
0506240-01A		SW846 8015B	Diesel Range Organics by GC/FID					By: JWB		
S05082	XG.2005.989.8		Diesel Range Organics	ND	mg / Kg	1	25		06-16-05	06-21-05

Sample: RITA T2 #5
Matrix: SOIL

Collected: 06-02-05 10:30:00 By:

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0506240-02A		SW846 5035B/8015B	GRO by GC/FID					By: TRS		
V05079	XG.2005.986.11		Gasoline Range Organics	ND	mg / Kg	1	0.55	1, H	06-21-05	06-21-05
0506240-02A		SW846 8015B	Diesel Range Organics by GC/FID					By: JWB		
S05082	XG.2005.989.9		Diesel Range Organics	ND	mg / Kg	1	25		06-16-05	06-21-05

Sample: ZINGARO ANG #2
Matrix: SOIL

Collected: 06-05-05 13:30:00 By:

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0506240-03A		SW846 5035B/8015B	GRO by GC/FID					By: TRS		
V05079	XG.2005.988.12		Gasoline Range Organics	ND	mg / Kg	1	0.55	1, H	06-21-05	06-21-05

Assaigai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: YATES PETROLEUM CORP.
 Project: DICE #2, RITA T2 #5, ZINGARO ANG #2
 Order: 0506240 YAT01 Receipt: 06-10-05

Sample: ZINGARO ANG #2
 Matrix: SOIL

Collected: 06-05-05 13:30:00 By:

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0506240-03A		SW846 8015B	Diesel Range Organics by GC/FID							
\$05082	XG.2005.989.10		Diesel Range Organics	69	mg / Kg	1	25		06-18-05	06-21-05

By: JWB

Unless otherwise noted, all samples were received in acceptable condition and all sampling was performed by client or client representative. Sample result of ND indicates Not Detected, ie result is less than the sample specific Detection Limit. Sample specific Detection Limit is determined by multiplying the sample Dilution Factor by the listed Reporting Detection Limit. All results relate only to the items tested. Any miscellaneous workorder information or footnotes will appear below.

Analytical results are not corrected for method blank or field blank contamination.

1 Sample was received with headspace.

MEMO: Samples were received at 20.1 degrees Celsius.

SAIG/
ALYTIC
BORAL

CCH Record

4301 Highland H.E.
ALBUQUERQUE, NEW MEXICO 87108
(505) 435-8000

4302 Woodward
EL PASO, TEXAS 79925
(915) 665-6000

127 EAST GARDEN DRIVE, 211-
LOS ALAMOS, NEW MEXICO 87544
(505) 672-2950

Page _____

Relto. _____

Arley _____

for D. _____

Order / Date

Date	Type / Size	Location	Chemical
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6/2	Disc	ire	
6/2	Disc	21	
6/2	Disc	21	

No. of Containers	Analysis required
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Date	by	Signature	Initial	Company	Reason
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6/10/85	Received by:	Signature	Initial	Company	Reason
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TPH Method	2015	per manual	2015/10/20
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- ☐ After analysis samples are to be:
- ☐ disposed of (a additional fee)
- ☐ stored (30 day max)
- ☐ stored over 30 days (additional fee)
- ☐ returned to customer