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 Fc, 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 X Closure of a pit or below-grade tank 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: West Loco Hills Ut. Tr. 1 #4: 30-015-04493 U/L or Otr/Otr M Sec 7 T 18e R 30e RECEIVED Latitude 32.75632 Longitude 104.01692 NAD: 1927 1983 X MAY 2 3 2006 Surface Owner: Federal X State Private Indian DUL:MOTERIA Pit Below-grade tank bbl Type of fluid: ____ Type: Drilling Production Disposal X Volume: Work over Emergency Construction material: Double-walled, with leak detection? Yes I If not, explain why not. Lined X Unlined Liner type: Synthetic Thickness 20/12 mil Clay Pit Volume bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 50 feet or more, but less than 100 feet (10 points) high water elevation of ground water.) 100 feet or more (0 points)X (20 points) Wellhead protection area: (Less than 200 feet from a private domestic Nο (0 points)X water source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points)X 0 points Ranking Score (Total 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 your are burying in place) onsite X offsite \(\Boxed{\square} \) If offsite, name of facility . (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 2nd encapsulation trench south side of the former tank battery area. An encapsulation trench will be excavated and lined with a 12 mil. Synthetic liner on former tank battery site. Excavated Historic Hydrocarbons 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 area. The encapsulation trench 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 provide to the Oil Conservation Division before pit closure actions began. Pit closure start date will by NA end date NA. Mud seed in the will be placed on pit area.

has been/will be constructed or closed according to NMOCD guidelines , a general permit X, or an (attached) alternative OCD-approved plan .

Date: _5/23/2006_____

Printed Name/Title Mike Stubblefield/ Environmental Regulatory Agent Signature Title Shallfull

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:

Approval:

Deputy Field Inspector

District II - Artesia

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