

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 1st Avenue, Artesia, NM 88210
District III
1000 1st Avenue, Aztec, NM 87410
District IV
1220 1st 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 mikes@ypcnm.com
Address: 105 South 4th Street, Artesia, N.M. 88210
Facility or well name: Eddy GR #1 SWD API #: 30-015-22611 U/L or Qtr/Qtr B Sec 16 T 23S R 28E
County Eddy Latitude 32.30607 Longitude 104.09844 NAD: 1927 ☒ 1983 ☐
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☐ Production ☐ Disposal ☐
Work over ☐ Emergency ☐
Lined ☐ Unlined ☐
Liner type: Synthetic ☐ Thickness mil Clay ☐
Pit Volume bbl

Below-grade tank

Volume: 10 bbl Type of fluid: Water from Triplex Pump packing
Construction material: Fiberglass
Double-walled, with leak detection? Yes ☐ If not, explain why not
Tank installed more than 15 years ago

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points) XXXX
	50 feet or more, but less than 100 feet	(10 points)
	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)		20 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

REMOVAL OF BELOW GRADE TANK COMPLETE - FINAL REPORT

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: 11/17/2006

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature Mike 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.

Approval

Printed Name/Title

Signature

Date

NOV 29 2006

DENIED

DENIED



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Yates Petroleum Corporation
105 S. 4th St.
Artesia, NM 88210
ATTN: Environmental Dept.

November 29, 2006

Reference: Eddy GR State 001 E-16-23s-28e API: 30-015-22611 Eddy County, New Mexico

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of a Form C-144 marked "Closure of a pit or below grade tank". The form states "REMOVAL OF BELOW GRADE TANK COMPLETE – FINAL REPORT". Analytical data from samples obtained at this site have also been submitted. This data shows Chloride levels as follows:

- Sample date 6/29/06: 6,960 mg/kg at 5' depth.
- Sample date 7/19/06: 9,517 mg/kg at 8' depth.
- Sample date 7/19/06: 12,316 mg/kg at 11' depth

Data obtained from the New Mexico State Engineer web site indicates this section to have 3 water source wells with an average depth to ground water at 40'. The analytical data shows a steady increase in chloride levels to the 11' depth.

At this time, the OCD is denying the C-144 "Final Report" and is requiring this site to be delineated vertically and horizontally for contaminant impact. Target goal for chloride impact is 250 mg/kg. A remediation plan proposal is then to be submitted to the OCD based on delineation results and OCD Rules and Guidelines.

Please commence delineation activities no later than December 13, 2006.

In the event ground water is encountered at any time during the delineation or remediation process, all work is to cease and the OCD notified immediately.

Notify the OCD 24 hours prior to commencement of activities.

Notify the OCD 24 hours prior to obtaining samples where analyses of samples obtained are to be submitted to the OCD.

If I can be of assistance, please contact me.

Sincerely,

Mike Bratcher

NMOCD District 2

(505) 748-1283 Ext. 108

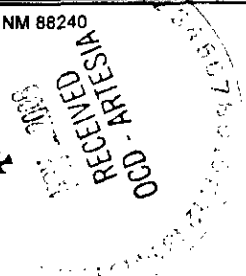
(505) 626-0857



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
YATES PETROLEUM CORPORATION
ATTN: MIKE STUBBLEFIELD
105 SOUTH 4th STREET
ARTESIA, NM 88210
FAX TO: (505) 748-4635



Receiving Date: 07/02/06
Reporting Date: 07/06/06
Project Number: NOT GIVEN
Project Name: EDDY GR SWD #1
Project Location: 16-23S-28E

Sampling Date: 06/29/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC

LAB NO.	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE		07/05/06	07/05/06	07/05/06	07/05/06
H11312-1	8. BELOW GRADE VESSEL 5'	0.006	<0.005	<0.005	<0.015
	DEPTH				
Quality Control		0.102	0.104	0.103	0.310
True Value QC		0.100	0.100	0.100	0.300
% Recovery		102	104	103	103
Relative Percent Difference		2.0	3.7	3.3	3.1

METHOD: EPA SW-846 8260

Chemist

7/6/06
Date

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or licensors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

H11312B



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ANALYTICAL RESULTS FOR
YATES PETROLEUM CORPORATION
ATTN: MIKE STUBBLEFIELD
105 SOUTH 4th STREET
ARTESIA, NM 88210
FAX TO: (505) 748-4635

Receiving Date: 07/02/06
Reporting Date: 07/06/06
Project Number: NOT GIVEN
Project Name: EDDY GR SWD #1
Project Location: 16-23S-28E

Sampling Date: 06/29/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/AB

LAB NO.	SAMPLE ID	GRO	DRO	CI*
		(C ₆ -C ₁₀) (mg/Kg)	(>C ₁₀ -C ₂₈) (mg/Kg)	(mg/Kg)
ANALYSIS DATE		07/05/06	07/05/06	07/03/06
H11312-1	8. BELOW GRADE VESSEL 5'	<10.0	33.9	6960
	DEPTH			
Quality Control		771	793	990
True Value QC		800	800	1000
% Recovery		96.4	99.2	99.0
Relative Percent Difference		3.5	0.9	1.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CI/B

*Analysis performed on a 1:4 w:v aqueous extract.


Chemist

7/6/06
Date

H11312A

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]

PLEASE NOTE **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



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101 East Marland, Hobbs, NM 88240
(505) 393-2326 Fax (505) 393-2476

Page ____ of ____

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: Yolo Petroleum Corporation		ATTN: PO		PO #:	
Project Manager: Mike Stubblefield		Company: Yolo Pet. Corp.			
Address: 105 Sout 4th Street		Attn: Mike Stubblefield			
City: Artesia		Address: 105 S. 4th Street			
State: N.M. Zip: 88210		City: Artesia			
Phone #: 505-748-4500		State: N.M. Zip: 88210			
Fax #: 505-748-4635		Phone #: 505-748-4500			
Project #: 1, 2		Project Owner: Mike Stubblefield			
Project Name: Eddy CR SWD #1		State: N.M. Zip: 88210			
Project Location: sec. 16 23E-28E		Phone #: 505-748-4500			
Fax #: 505-748-4635					

FOR LAB USE ONLY		LAB I.D.		Sample I.D.		(G)RAB OR (C)OMP.		# CONTAINERS		GROUNDWATER		WASTEWATER		SOIL		OIL		SLUDGE		OTHER :		ACID:		ICE / COOL		OTHER :		DATE		TIME		CHLORIDES			
		H1379-1		#1 Below Drade																															
				vessel 8' depth																															
				-2		#2 Below Drade																													
						vessel 11' depth																													

Relinquished By: Mike Stubblefield		Date: 2/24/66		Received By: John J. M. Jones	
Relinquished By: Mike Stubblefield		Date: 2/24/66		Received By: John J. M. Jones	
Delivered By: VCircle One		Time: 10:00 Am.		Sample Condition: Cool Intact	
Sampler - UPS - Bus - Other:				Checked By: (Initials)	

REMARKS:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Additional Fax #:	
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† Cardinal cannot accept verbal changes. Please fax written changes to 915-873-7020.

**New Mexico Office of the State Engineer
POD Reports and Downloads**

Township: 23S Range: 28E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic
☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 11/28/2006

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
C	23S	28E	05				1	33	33	33
C	23S	28E	06				11	20	85	45
C	23S	28E	07				2	40	50	45
C	23S	28E	08				3	16	50	35
C	23S	28E	09				1	30	30	30
C	23S	28E	10				2	19	25	22
C	23S	28E	11				2	15	16	16
C	23S	28E	12				1	20	20	20
C	23S	28E	13				4	15	50	33
C	23S	28E	14				2	29	30	30
C	23S	28E	15				5	12	54	37
C	23S	28E	16				3	33	55	40
C	23S	28E	17				2	50	75	63
C	23S	28E	18				3	42	217	113
C	23S	28E	19				2	10	45	28
C	23S	28E	20				3	34	70	55
C	23S	28E	21				7	6	69	23
C	23S	28E	22				10	30	160	54
C	23S	28E	23				7	12	75	46
C	23S	28E	24				1	36	36	36
C	23S	28E	25				7	27	60	44
C	23S	28E	27				2	18	40	29
C	23S	28E	28				2	3	10	7
C	23S	28E	29				1	15	15	15
C	23S	28E	30				1	8	8	8
C	23S	28E	33				1	190	190	190
C	23S	28E	34				1	25	25	25
C	23S	28E	35				1	30	30	30