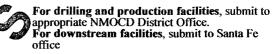
<u>Ďistrict I</u>
1625 N. French Dr., Hobbs, NM 88240
<u>District II</u>
1301 W. Grand Avenue, Artesia, NM 88210
<u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410
<u>District IV</u>
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-144
June 1, 2004
rilling and production facilities, submit to

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



Pit or Below-Grade Tank Registration or Closure
Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \) No \(\subseteq \)
Type of action: Registration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\subseteq \)

JAN 28 2008

| Type of action: Registration of a pit | or below-grade tank Closure of a pit or below-g | rade tank OCD-ARTESIA |
|---|---|--|
| Operator: Jalapeno Corporation Telephone: | 505-242-2050 e-mail address: person | nel3@msn.com |
| Address: P.O. Box 1608, Albuquerque, NM 87103 | o man acaress. <u>person</u> | · |
| Facility or well name: Louise Yates State #2 API #: 30-005 | -63381 U/L or Qtr/Qtr K Sec | 7 T 9-S R 28-E |
| County: Chaves Latitude | | |
| Surface Owner: Federal State Private Indian | | |
| Pit Below-grade tank | | |
| Type: Drilling Production Disposal | Volume:bbl Type of fluid: | |
| Workover ☑ Emergency ☐ | Construction material: | |
| Lined ☑ Unlined ☐ | Double-walled, with leak detection? Yes If not, explain why not. | |
| Liner type: Synthetic Thickness 12 mil Clay | | |
| Pit Volume 500 bbl | | |
| Depth to ground water (vertical distance from bottom of pit to seasonal | Less than 50 feet | (20 points) |
| | 50 feet or more, but less than 100 feet | (10 points) |
| high water elevation of ground water.) Slight water at 270 ft. | 100 feet or more XX | (0 points) 0 |
| W. III . 1 | Yes | (20 points) |
| Wellhead protection area: (Less than 200 feet from a private domestic | No | (0 points) 0 |
| water source, or less than 1000 feet from all other water sources.) | | |
| Distance to surface water: (horizontal distance to all wetlands, playas, | Less than 200 feet | (20 points) |
| irrigation canals, ditches, and perennial and ephemeral watercourses.) | 200 feet or more, but less than 1000 feet XX | (10 points) 0 |
| | 1000 feet or more | (0 points) |
| | Ranking Score (Total Points) | 0 |
| If this is a pit closure: (1) Attach a diagram of the facility showing the pit | 's relationship to other equipment and tanks. (2) Indi | icate disposal location: (check the onsite box if |
| your are burying in place) onsite 🖾 offsite 🔲 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 🛛 | | |
| (5) Attach soil sample results and a diagram of sample locations and excavations. | | |
| Additional Comments: This pit was created in order to plug the well. It has in it only residue from the plugging plus 12 mil plastic. | | |
| The pit is within the location area. The 12 mil plastic will be folded over the top and on top of that 20 mil will be placed. Then 3 feet | | |
| of stockpiled dirt will be placed on top of the 20 mil and the dirt will be reseeded along with the rest of the location, once caliche is | | |
| stripped off the location. Because of the depth of the water at this drill site, it is our understanding that no soil samples are required. | | |
| IN ACCORDANCE WITH THE NMOCD INSTRUCTIONS AND GUIDELINES, THIS PIT WAS CLOSED ON 12/13/07 BY | | |
| SHULL FIELD SERVICES. | | |
| | | |
| 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: 1/23/08 | | |
| Printed Name/Title: Harvey E. Yates, Jr President Signature: Jalapeno Corporation by: land Jalapeno Corporation | | |
| 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: Gerry Guye | Therend In | JAN 2 9 2008 |
| Printed Name/Title Compliance Officer | Signature / () | Date: |
| , compliance control | | and the second s |