

District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Abec. 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 NMOC 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 ☒

MAR 07 2008

Operator Yates Petroleum Corporation Telephone 505-748-4500 e-mail address mikes@ypcam.com

OCD-ARTESIA

Address 101 South 4th Street Artesia, NM 88210

Facility or well name Shafer BHS Federal Com #1 API # 30-015-35001 U/L or Qtr/Qtr E Sec 26 T 21S R 24E

AUG 14 2007

County Eddy Latitude 32 45061 Longitude 104 4738 NAD 1927 ☒ 1983 ☐

OCD-ARTESIA

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 20,000 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) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) XXXX
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
<b>Ranking Score (Total Points)</b>	
0 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

Additional Comments Closure work plan for drilling pit The drilling pit contents will be mixed to stiffen the pit contents. An 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

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 NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date 08/09/2007

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature *Mike Stubblefield*

Your certification and NMOC 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

Signed By *Mike Stubblefield*

AUG 17 2007

Signature

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

If burial trench is to be constructed in pit area, samples are to be obtained and analyses submitted to OCD PRIOR to lining trench.

As a condition of approval if during pit construction water is encountered or if water seeps into pits after construction

Accepted for record NMOC MUST BE CONTACTED IMMEDIATELY

MAR 11 2008

DATE 2/25/2008

I certify that on 2/19/2008 tests were conducted on soil samples from the  
Following are the results of those tests:  
Shafer BHS Federal Com. #1.

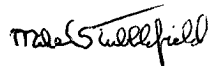
SAMPLE POINT	TPH (EPA Method 9074)	CHLORIDES (EPA Method 9253)	BTEX (PID Meter)
NW corner drilling pit Cleaned out Dp bottom. Surface	182 ppm	85 ppm	0 ppm
NE corner drilling pit Cleaned out Dp bottom.	0 ppm	28 ppm	2 ppm
SE corner drilling pit Cleaned Dp bottom. Surface	0 ppm	57 ppm	0 ppm
SW corner drilling pit Cleaned out Dp bottom. Surface	182 ppm	212 ppm	0 ppm

ALL RESULTS ARE PPM

Memo note; Soil samples taken for the 8' depth were from the bottom of the  
cleaned out drilling pit area. Vertical delineation was the maximum with  
equipment on location.

All testing was done at Yates Petroleum Corporation or on location.

Respectfully,



Mike Stubblefield  
Environmental Regulatory Agent