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 For drilling and production facilities, submit to appropriate NMOCD District Office.

For downstream facilities, submit to Santa Fe office

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes X No RECEIVED Type of action: Registration of a pit or below-grade tank \(\subseteq\) Closure of a pit or below-grade tank X JUL 18 2005 Operator: Yates Petroleum Company Telephone: 505-748-4500 e-mail address: mikes@ypc.com OCD-AFITEBUS Address: 105 South 4th Street, Artesia, N.M. 88210 Facility or well name: Medano VA State 8 API #: 30-015-33401 U/L or Qtr/Qtr P Sec 16 T 23S R 31E Latitude 32.29891 Longitude 103.77473 NAD: 1927 1983 X Surface Owner: Federal ___ State _X Private ___ Indian ___ Below-grade tank Pit Volume: ____bbl Type of fluid: ___ Type: Drilling X Production ___ Disposal ___ Construction material: Work over ___ Emergency ___ Double-walled, with leak detection? Yes I If not, explain why not. Lined X Unlined ___ Liner type: Synthetic X Thickness 12 mil Clay Pit Volume 12,000 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) 100 feet or more (0 points) XXXX Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic water (0 points)XXXX 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) XXXX Ranking Score (Total Points) **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 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 ____ 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: Workplan for the closure of drilling pit. The drilling pit contents will be mixed to stiffen the pit contents. The primary 12 mil liner will be folded. A 20 mil synthetic liner will be placed over the drilling pit contents with a minimum of a 3' over-lap of the drilling pit area. The drilling pit will then be backfilled to grade using a minimum of 3' of clean soil or like material. Mud seed will be applied in the proper seed mixture. 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 *Amendment to previously submitted C-144 dated 6/6/05

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.

I hereby certify that the information above is true and complete to the best of my knowledge and being. 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 any attached between according to NMOCD guidelines ____,

Approval: Field Supervisor

Date: 07/18/2005

Printed Name/Title

Signature

JUL 25 2005