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.

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

For downstream facilities, submit to Santa Fe

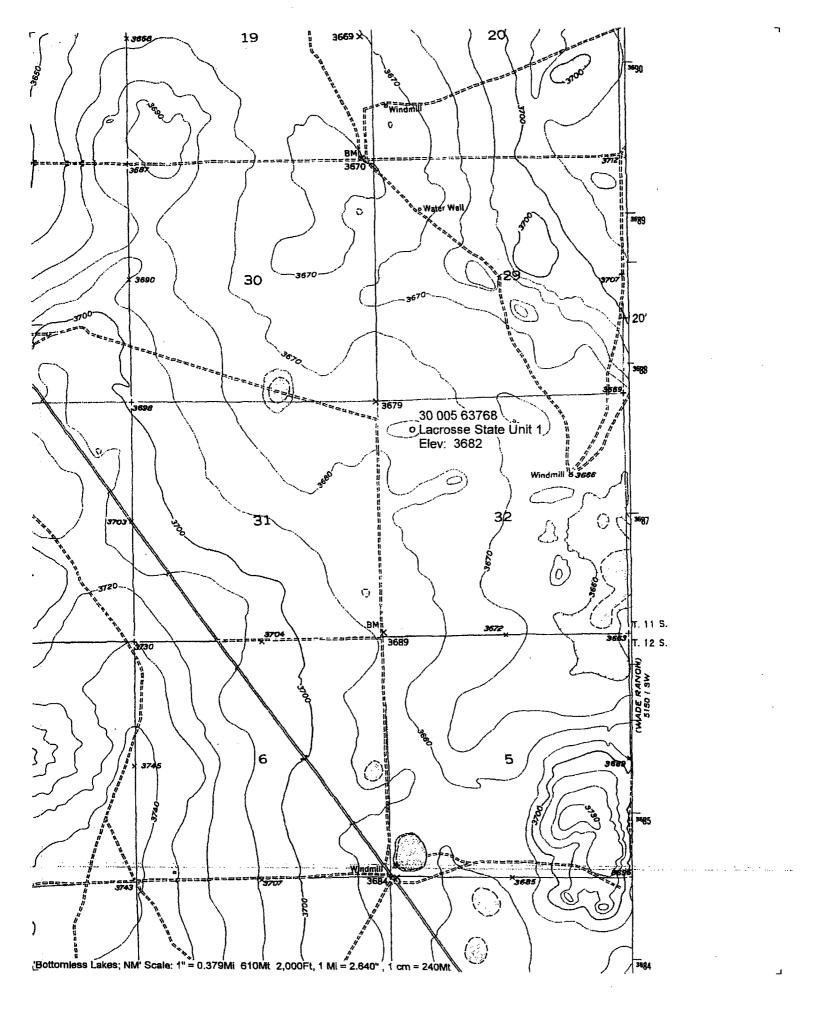
Form C-144

June 1, 2004

Santa Fe, NM 87505

	<u> Grade Tank Registration or Closur</u>	
	nk covered by a "general plan"? Yes X to below-grade tank Closure of a pit or below-g	
Type of action: Registration of a pi	t or below-grade tank Closure of a pit or below-	rade tank
Operator: Yates Petroleum Corporation Telephone: _505-748-4500 _e-mail add	ress: mikes@ypcnm.com	DECEMBE
Address: 105 South 4 th Street, Artesia, N.M. 88210		RECEIVED
Facility or well name: Lacrosse State Unit 1 API #: 30-005-63768 U/L or Qtr/Qtr	D Sec 32 T 11S R 27E	MAD 1 0 coss
County: Chaves Latitude: 33.32676 Longitude: 104.26501 NAD: 1927 ☑ 1983 ☐		MAR 1 0 2006
Surface Owner: Federal State Private Indian		QUU-ARTEON
		ا ارون
<u>Pit</u>	Below-grade tank Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes If not, explain why not.	
Type: Drilling ☑ Production ☐ Disposal ☐		
Work over ☐ Emergency ☐		
Lined ☑ Unlined □		
Liner type: Synthetic Thickness 12 mil Clay		<u> </u>
Pit Volume 20,000 bbl		
	Less than 50 feet	(20 points) XXXX
Depth to ground water (vertical distance from bottom of pit to seasonal high water	50 feet or more, but less than 100 feet	(10 points)
elevation of ground water.)	100 feet or more	(0 points)
	Von	(20 points)
Wellhead protection area: (Less than 200 feet from a private domestic water	Yes	(20 points) (0 points) XXXX
source, or less than 1000 feet from all other water sources.)	No	(o points) XXXX
	Less than 200 feet	(20 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation	200 feet or more, but less than 1000 feet	(10 points)
canals, ditches, and perennial and ephemeral watercourses.)	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	nip to other equipment and tanks. (2) Indicate disposa	al 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 I 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. An encapsulation trench will be constructed and lined with 12 mil synthetic liner next to existing drilling pit. The drilling pit contents will be		
excavated and emplaced into the encapsulation trench using a mixture of three to one pit material and Class H bulk cement or CKD. The emulsion of pit material and cement will be mixed using a		
track hoe and water added if needed. After completion of solidifying pit material in cement and pit contents have set in place for a minimum of 24 hours, the encapsulation trench will then be capped		
using a 20 mil synthetic liner placed over the pit contents with a minimum of a 3' over lap of the underlying trench areas. The trench will then be backfilled to grade using a minimum of 3' of clean		
soil or like material. A one call and 48 hour notification to OCD will be made before pit closure action begins. Beginning pit closure date: N/A. Ending pit closure date: N/A Amendment to		
previously submitted C-144 dated February 7, 2006		
See attached sampling and closure data		
Thombus confident that the information changing the second and the	and the state of t	
I hereby certify that the information above is true and complete to the best of my kno constructed or closed according to NMOCD guidelines , a general permit		
Date: March 8, 2006		e Stalling
Printed Name/Title Mike Stubblefield / Regulatory Agent		
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.		
neutral of the chrynomical. Two does a refleve the operator of as responsionly for compnance with any other federal, state, of local laws and/or regulations.		
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		<u> </u>
Approval:	/00	4 0000
	ature	Date: MAR 1 4 2006

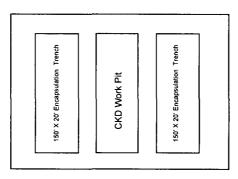
New Mexico Office of the State Engineer POD Reports and Downloads LACROSSE STATE WHIT		
Township: 11S Range: 27E Sections:		
NAD27 X: Zone: Search Radius:		
County: Basin: Number: Suffix:		
Owner Name: (First) (Last) Non-Domestic Omestic		
POD / Surface Data Report Avg Depth to Water Report Water Column Report		
Clear Form iWATERS Menu Help		
AVERAGE DEPTH OF WATER REPORT 02/07/2006 (Depth Water in Feet)		
Bsn Tws Rng Sec Zone X Y Wells Min Max Avg		
No Records found, try again		



YATES PETROLEUM CORPORATION

Reserve Pit Solidification Procedure

1. Diagram of deep burial trench(s) is provided with application for closure (form C-144)



Reserve pit 150' x 150'

2. Solidification of Cuttings:

- (A) The cuttings will be mixed with a track hoe. Contents will be lifted and dropped so as to create a stirring process. This process will continue until CKD and pit contents are thoroughly bonded.
- (B) The solidification material will be Cement Kiln Dust (CKD).
- (C) CKD to pit contents ratio will be 1 yard of pit contents to 240 lbs. of CKD or 1,000 cubic yards of pit contents to 120 tons of CKD. Pit contents will be measured to determine actual volume (length x width x depth /27). CKD is weighed and delivered to the site in 40,000 lb increments.
 - A 1,200 cubic yard work pit is constructed inside the original reserve pit beside the encapsulation/solidification trench. One thousand cubic yards of pit contents will be placed in the work trench along with six 20 ton loads of CKD to begin the mixing process.
- (D) Fresh water may be introduced to initiate the bonding process of CKD and pit contents.
- (E) In order to assure proper mixing, all CKD is precisely weighed before delivery and pit construction is measured to a predetermined need depending on exact volume of pit contents.
- 3. A minimum of three representative samples will be taken from pit contents prior to any work. These samples will be stored in closed containers.

- 4. Each stage being mixed will be sampled prior to transferring the slurry to the deep trench as follows:
 - (A) One sample of the slurry will be taken at the beginning of the transference and stored in a closed container.
 - (B) One sample of the slurry will be taken at the beginning of the transference and stored in an open container.
 - (C) One sample of the slurry will be taken at the end of the transference and stored in a closed container.
 - (D) One sample of the slurry will be taken at the end of the transference and stored in an open container.
- 5. All samples will be stored in environmentally approved containers.
- 6. All samples and associated paperwork will be delivered to the OCD office within 3 working days of closure.