

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

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: <u>Yates Energy Corporation</u> Telephone: <u>432-683-5511</u> e-mail address: <u>Sjonas4011@aol.com</u>		
Address: <u>P. O. Box 2323, Roswell, New Mexico 88202</u>		
Facility or well name: <u>Desert Rose Federal</u> #API #: <u>30-015-26167</u> U/L or Qtr/Qtr _____ Sec <u>27</u> T <u>23S</u> R <u>23E</u>		
County: <u>Eddy</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
Pit		
Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/>		
Lined <input type="checkbox"/> Unlined <input checked="" type="checkbox"/>		
Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/>		
Pit Volume <u>106</u> bbl <u>10X20X3</u>		
Below-grade tank		
Volume: <u>300</u> bbl Type of fluid: <u>treating or produced fluid</u>		
Construction material: <u>steel tank</u>		
Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.		
No below grade, will set a top the ground <u>APR 05 2006</u>		
RECEIVED OCD-MITED		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points) 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 No	(20 points) (0 points) 0 points
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) 0 points
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 you 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:
This is a burn pit for workover purposes, there will be a "T" connection with valves to a 300 barrel storage tank that will set atop the ground.
<u>PIT MAY NOT contain fluid at anytime.</u>

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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date: <u>04/04/06</u>	Signature: <u>Sheryl L. Jonas</u>
Printed Name/Title: <u>Sheryl L. Jonas/Agent</u>	
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: <u>Gerry Guye</u> Printed Name/Title: <u>Deputy Field Inspector</u> <u>District II - Artesia</u>	Signature: <u>Gerry Guye</u> Date: <u>APR 6 2006</u>