

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

Address 105 South 4th Street, Artesia, N M 88210

Facility or well name Lupine BHJ State Com #1 API # 30-015-34456 U/L or Qtr/Qtr L Sec 16 T 25S R 26E

County Eddy Latitude 32 12849 Longitude 104 30372 NAD 1927 ☒ 1983 ☐

Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

JAN 02 2008
OCD-ARTESIA

Pit

Type Drilling ☒ Production ☐ Disposal ☐

Work over ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume 20,000 bbl

Below-grade tank

Volume _____ bbl Type of fluid _____

Construction material _____

Double-walled, with leak detection? Yes ☐ 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) XXXX
	100 feet or more	(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	(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
Ranking Score (Total Points)		10 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 A 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

(Ground Water well report attached)

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 12/26/2007

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature Mike Stubblefield

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

Printed Name/Title Gerry Guye
Compliance Officer

Signature Gerry Guye

Date JAN 17 2008



DEC 11 2007
OCD-ARTESIA

December 10, 2007

AMARILLO
201 North West
Amarillo, Texas 79107
Phone 806 467 0307
Fax 806 467 0629

AUSTIN
3805 Tom Cary Court
Building C-120
Round Rock, Texas 78664
Phone 512 399 3468
Fax 512 905 7437

MIDLAND
435 East Industrial Loop
Midland, Texas 79701
Phone 432 522 2133
Fax 432 522 2190

NEW ORANGE
707 N. Webster Ave.
Suite 205
New Braunfels, Texas 78130
Phone 210 577 0238
Fax 210 583 2191

TULSA
3506 East 40th Street, Suite 0
Tulsa, OK 74146
Phone 918 742 0776
Fax 918 742 0879

HOBBS
312 East Taylor Street
Hobbs, New Mexico 88241
Phone 505 393 4261
Fax 505 393 4692

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
EMERGENCY RESPONSE

TALON 300 748 6716

Mr. Mike Bratcher
New Mexico Oil Conservation Division
1301 Grand Ave.
Artesia, New Mexico
88210
(575) 748-1283

Dear Mr. Bratcher:

On November 27, 2007 TALON/LPE drilled and set a temporary monitoring well at 70' on the YATES LUPINE BHJ STATE COM. #1 in Sec. 16 Township 25S Range 26E of Eddy County, New Mexico. The well was tested for water 72 hours after it was drilled and was found to have no water at this depth. At this time YATES PETROLEUM is asking that the NMOCD change the site ranking for this location from a site ranking of 20 to a site ranking of 10. If you have any questions please feel free to call me at any time.

Respectfully Submitted.

Eb Taylor
Talon/LPE Hobbs Office Manager

Accepted for record
NMOCD
DEC 17 2007



WELL REPORT

LUPINE BHS STATE COM #1
30-015-34456

1) Well Location				
County	Physical Address	City	State	Zip
Lea	Lupine BHS state COM	Carlsbad	NM	
2) GPS Coordinates				
Latitude		Longitude		
32° 07' 57" N		104° 17' 58" W		
3) Purpose/Use of Well (Check One)				
<input checked="" type="checkbox"/> Monitor Well		<input type="checkbox"/> Soil Boring		<input type="checkbox"/> Other
4) Drilling Dates				
Start Date		Completion Date		
11 / 27 / 7		11 / 27 / 7		
5) Diameter of Hole				
Diameter (Inches)	From (Feet)	To (Feet)		
5 5/8	0	73		
6) Drilling Method (Check One)				
<input checked="" type="checkbox"/> Air Rotary		<input type="checkbox"/> Mud Rotary		<input type="checkbox"/> H.S.A.
<input type="checkbox"/> Other				
7) Monitor Well / Soil Boring Number				
MW #	1		SB #	
8) Well/Boring Soil Description				
From (Feet)	To (Feet)	Description and color of formation material		
0	3	Topsoil light brown		
3	10	Caliche white		
10	20	SAND Brown		
20	25	Sandstone w/ streaks of clay		
25	30	sandstone Tan		
30	73	Red shale w/ sandstone		
9) Borehole Completion (Sampling Information)				
Gravel From	Gravel To (Feet)	Sand Size	Bags Used	
45	70	8/16	10	
10) Borehole Completion (Sampling Information)				
Screen From	Screen To (Feet)	Material	Diameter	Screen Slot Size
50	70	PVC	2"	010
Casing From	Casing To (Feet)	Material	Diameter	Casing Schedule
0	50	PVC	2"	40°
11) Cementing Data				
	Cement From	Cement To	Number of Sacks Used	
Surface Seal	0 0 ft.	3 ft.	2	
Seal to Bent.	3 ft.	45 ft.	6	
12) Water Level				
ft below ground surface		Did the water contain fuel (PSH)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
13) Drums (15.5 gal)				
VIATESPOZ.6 SPL		Sales		
14) Owner Information				

Lupine BHS STATE COM #1 Revised 10/02/06

Stubblefield 11-21-06