

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
March 12, 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 xx 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) 748-4347 e-mail address: debbiec@ypcnm.com

Address: 105 South Fouth Street, Artesia, New Mexico

Facility or well name: Lacy J State Unit #1 API #: 30-025-36639 U/L or Qtr/Qtr I Sec 8 T 12S R 34E

County: Lea Latitude N33°27'00.3" Longitude W103°30'29.6" NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State XX Private ☐ Indian ☐

Pit

Type: Drilling XX Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined xx Unlined ☐

Liner type: Synthetic xx Thickness 20 mil

Clay ☐ Volume 20,036 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.) 36'

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

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.) 2600'

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas,
irrigation canals, ditches, and perennial and ephemeral watercourses.)
4500'

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

20 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:

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.

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: April 26, 2004 Printed Name/Title Clifton R. May / Land Department Signature Clifton R. May

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:

Date: 5/6/04

PETROLEUM ENGINEER

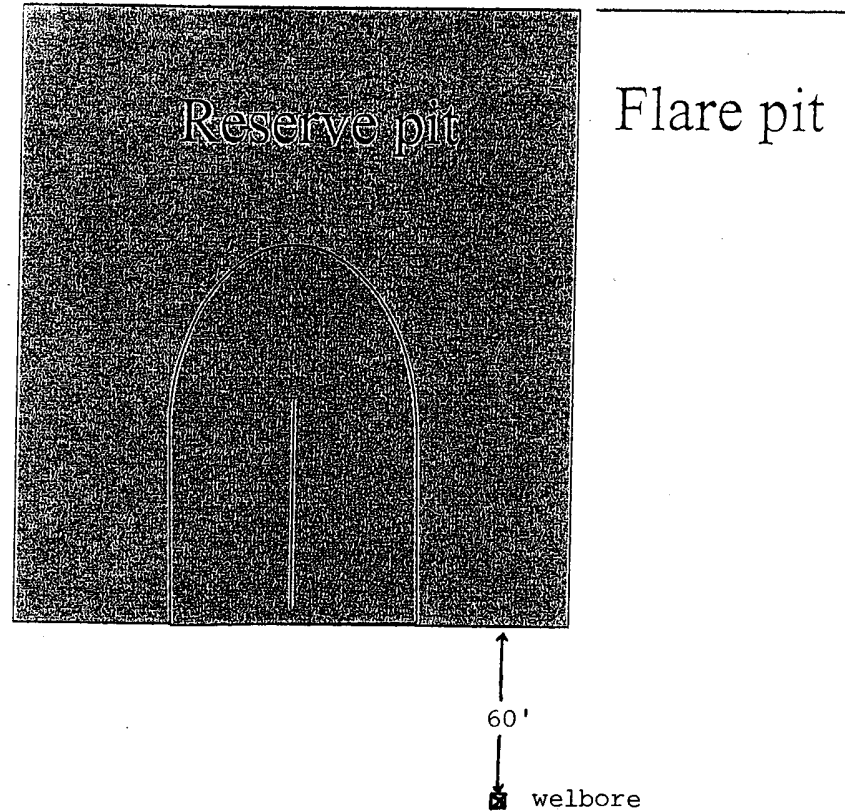
Printed Name/Title

Signature

Paul J. Kuntz

Lacy J State Unit #1
YATES PETROLEUM CORPORATION
General Plan was approved 4/15/04

The reserve pit is to the North. The Southeast corner of the pit is approximately 60' North of the welbore. The pit is 150' X 150' and 5' below ground level with a volume of 20,000 bbls +/- . The pit is lined with a 20 mil cross laminated synthetic liner.



Standard reserve pit. All Reserve pits are double Horse shoe size varies with depth of well

C-101/C-144 DRILLING PIT REGISTRATION CODITIONS OF APPROVAL

API number:	30-025-36639		
OGRID:		Operator:	YATES PETROLEUM CORP
			105 S 4th STREET
			ARTESIA NM 88210
		Property:	LACY J STATE UNIT # 1

surface

ULSTR:	I	8	T 12S	R 34E

XXXXXX	Pit must be lined with a minimum of a 12 mil re-enforced or 20 mil re-enforced liner.
XXXXXX	The pit must be deep enough so that when pit is closed it can be covered with 3 feet of dirt and surface leveled
XXXXXX	If the pit is to be encapsulated in place, the liner is to be a minimum thickness of 20 mil re-enforced liner
	When using a 12 mil nylon re-enforced liner. The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
XXXXXX	When using a 20 mil liner. The pit must be closed within 6 months of completion of the well.
XXXXXX	This site has a Ranking Score of 20 points or higher . The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
XXXXXX	Before pit is closed, submit a subsequent Form C-144 along with any additional information which may be applicable to the appropriate NMOCD District Office for approval.
XXXXXX	Notify appropriate NMOCD District Office by E-mail 48 hrs prior to closing pit.
XXXXXX	The operator is required to comply with NMOCD guidelines.
XXXXXX	OCD approval does not release the operator of its responsibilities for compliance with any other federal, state, or local laws and/or regulations.

Drilling Pit Registration Approval

District Supervisor Chris Williams
District Geologist Paul F Kautz

505-393-6161
ext 102
ext 104

Drilling Pit closure

Environmental Spec Larry Johnson
Environmental Spec Paul Sheeley

505-393-6161
ext 111 lwjohnson@state.nm.us
ext 113 psheeley@state.nm.us