

**O'Briant & Associates, Inc.**

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E-Mail: cobriant@apex2000.net

TO: Larry Johnson  
Oil Conservation Division  
1301 W. Grande Avenue  
Artesia, New Mexico 88210

FROM: Sheryl L. Jonas  
Yates Energy Corporation  
O'Briant and Associates, Inc.

DATE: November 21, 2006

Well: **Maduro State No. 1**  
16-19S-33E  
API#30-025-29332  
Lea County, New Mexico

Subject: PIT CLOSURE

Dear Mr. Johnson:

The following is a procedure to close the pits on the above captioned location.

- 1.) De-water fluid in pits.
- 2.) Fold existing plastic liner into pit. ~~\_\_\_\_\_~~
- 3.) Cover with 3 feet of spoils from pit.
- 4.) Level pit area on location.

Please recall our conversation of November 21, 2006. I informed you that I needed to amend original C-144 because I had only reported a burn pit, and we also dug a liquid pit. If there are any questions or additional work required please advise me by fax or phone.

Sheryl L. Jonas

Cc: Paul King  
Yates Energy Corporation

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

Form C-144  
June 1, 2004

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 ☐ AMENDED

Operator: Yates Energy Corporation Telephone: 432-683-5511 e-mail address: Sjonas4011@aol.com  
Address: P. O. Box 2323, Roswell, New Mexico 88202  
Facility or well name: Maduro State Com #1 API #: 30-025-29332 U/L or Qtr/Qtr Sec 16 T 19S R 33E  
County: Lea Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐  
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

**Pit**  
Type: Drilling ☐ Production ☐ Disposal ☐  
Workover ☒ Emergency ☐ 2 pits  
Lined ☐ Unlined ☐ 106 bbl 10X20X3 burn pit  
214 bbl 10X20X6 liquid  
Liner type: Synthetic ☐ Thickness \_\_\_\_\_ mil Clay ☐  
Pit Volume \_\_\_\_\_ 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<br>50 feet or more, but less than 100 feet<br>100 feet or more     | (20 points)<br>(10 points)<br>(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<br>No greater than 660'                                                          | (20 points)<br>(0 points)                | 20 points |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet<br>200 feet or more, but less than 1000 feet<br>1000 feet or more | (20 points)<br>(10 points)<br>(0 points) | 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: (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:**

Burn pit 106 barrel 10 X 20 X 3'  
Liquid pit 214 barrel 10 X 20 X 6' lined with 20 mil plastic

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: 11-21-06

Printed Name/Title Sheryl L. Jonas/agent

Signature

*Sheryl L. Jonas*

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

L. Johnson - Environmental

Signature

*L. Johnson*

Date:

2.15.07

MADURO STATE #1