Ustrict 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

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 of below-grade tank.

Closure of a pit of below-grade tank. Operator Vales Petroleum Corporation Telephone 505-748-4500 e-mail address mikes@ypenm.com Address: 105 South 4th Street, Artesia, N.M. 88210 Facility or well name Rastt Bid State #1 API # 30-025-37982 U/L or Qti/Qtr P_Sec 35 T_10S R 32E Latitude 33 39822 Longitude 103 63602 NAD 1927 ☑ 1983 □ Surface Owner Federal 🔲 State 🖾 Private 🗀 Indian 🗀 Below-grade tank Pit Volume: Type, Drilling M Production Disposal bbl Type of fluid Work over [] Emergency [Construction material Double-walled, with leak detection? Yes [] If not, explain why Lined 🔯 Unlined 🔲 Liner type Synthetic M Thickness 12 mil Clay Pit Volume 24,000 bbl Less than 50 feet (20 points) /XXXX Depth to ground water (vertical distance from bottom of pit to seasonal high water (10 points) 50 feet or more, but less than 100 feet elevation of ground water.) 100 feet or more Wellhead protection area (Less than 200 feet from a private domestic water (0 points No source, or less than 1000 feet from all other water sources.) (20 points) Less than 200 feet Distance to surface water (houzontal distance to all wetlands, playas, irrigation (10 points) 200 feet or more, but less than 1000 feet canals, duches and perennal and ephemeral watercourses.) 1000 feet or more (0 points) XXXX Ranking Score (Total Points) If this is a put closure: (1) Attach a diagram of the facility showing the put's relationship to other equipment and tanks (2) Indicate disposal location. (check the onsite box if you are burying in place) (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater onsite O offsite I If offsite, name of facility NA It, and attach sample results. encountered. No [Yes [] It yes, show depth below ground surface. (5) Attach soil sample results and a diagram of sample locations and excavations Additional Comments. Closure workplan, for drilling pit. An encapsulation trench will be constructed and fined 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 centert or CKD. The emulsion of pit material and centert will be mixed using a track hoe and water added if needed. After completion of solidifying pit material in coment and pit contents have set in place for a imminium 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 french 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. Ending pit closure date. N/A. Thereby 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 clusted according to NMOCD guidelines [], a general permit [], or an (attached) alternative OCD-approved plan []. Date, 03/06/2007 Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent Your certification and NMOCD approval of this application/closure does not relieve the operator of hability 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 GARY W. WINK STAFF MER Signature Hayle) Wink

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