

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

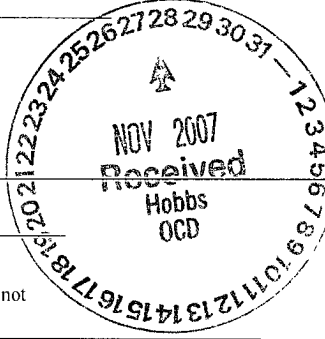
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

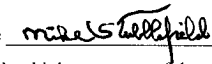
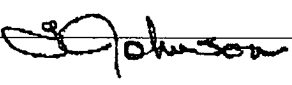
Pit or Below-Grade Tank Registration or Closure

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 ☒

Operator <u>Yates Petroleum Corporation</u> Telephone <u>505-748-4500</u> e-mail address <u>mikes@ypcnm.com</u>		
Address <u>105 South 4th Street, Artesia, N M 88210</u>		
Facility or well name <u>Strait State Unit #5</u> API # <u>30-025-38169</u> U/L or Qtr/Qtr <u>L</u> Sec <u>20</u> T <u>10S</u> R <u>34E</u>		
County <u>Lea</u> Latitude <u>33 43057</u> Longitude <u>103 49163</u> NAD 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Work over <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>24000</u> bbl	Below-grade tank Volume _____ bbl Type of fluid _____ Construction material _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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 workplan 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
DRILLED CONFINEMENT WATER WELL TO 70' - NO WATER INDICATED INFO ATTACHED. LJ	

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 type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date	11/20/2007
Printed Name/Title	Mike Stubblefield / Environmental Regulatory Agent
Signature	
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	ENVIRONMENTAL ENGINEER
Signature	11.4.07



AMARILLO
921 North Bivins
Amarillo, Texas 79107
Phone 806.467.0607
Fax 806.467.0622

November 7, 2007

AUSTIN
3003 Tom Gary Cove
Building C-100
Round Rock, Texas 78664
Phone 512.989.3428
Fax 512.989.3487

Mr. Larry Johnson
New Mexico Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240
505-393-6161

Dear Mr. Johnson:

MIDLAND
#9 East Industrial Loop
Midland, Texas 79701
Phone 432.522.2133
Fax 432.522.2180

On November 2, 2007 Talon/LPE drilled to 70 feet and set a temporary monitoring well at the YATES STRAIT STATE UNIT #5 in Lea county New Mexico. The site is at GPS coordinates 33.43082N 103.49161W in Section 20 Township 10S Range 34E. The reason for this well was to obtain information to change the site ranking from a ranking of 20 to a ranking of 10. The well was tested by Eb Taylor with a water level indicator on November 5, 2007 74 hours after completion and was found to have no water at this depth. I have enclosed a boring log with this letter completed by Talon/LPE driller Shane Curry. Upon review of this YATES PETROLEUM is asking that the site ranking be changed from a ranking of 20 to a ranking of 10. If you have any questions please feel free to call me at any time.

NEW BRAUNFELS
707 N. Walnut Ave.
Suite 208
New Braunfels, Texas 79130
Phone 210.579.0235
Fax 210.568.2191

Respectfully Submitted,

TULSA
9906 East 43rd Street, Ste. G
Tulsa, OK 74146
Phone 918.742.0871
Fax 918.742.0876

Eb Taylor
Talon/LPE Hobbs Office Manager

HOBBS
318 East Taylor Street
Hobbs, New Mexico 88241
Phone 505.393.4261
Fax 505.393.4658

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING

TALONLPE

WELL LOG

1) Well Location					
County	Physical Address		City	State	Zip
Lea	15 miles NW of Tatum		Tatum	NM	88267
2) GPS Coordinates					
Latitude			Longitude		
33° 25' 45" N			103° 29' 33" W		
3) Proposed 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		
11/2/7			11/2/7		
5) Diameter of Hole					
Diameter (Inches)		From (Feet)		To (Feet)	
5 5/8		0		70	
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		10		Caliche, tan	
10		20		Clay, orange, dry	
20		30		Sand, dry, tan	
30		70		brown sandy clay dry	
9) Borehole Completion (Sanding information)					
Gravel From		Gravel To (Feet)		Sand Size	
45		70		8/16	
				Bags Used	
				12	
10) Borehole Completion (Sanding information)					
Screen From		Screen To (Feet)		Material	
50		70		PVC	
				Diameter	
				2	
				Screen Slot Size	
				010	
Casing From		Casing To (Feet)		Material	
0		50		PVC	
				Diameter	
				2	
				Casing Schedule	
				40°	
11) Cementing Data					
		Cement From		Cement To	
		0 ft.		3 ft.	
Surface Seal		0 ft.		3 ft.	
Seal to Bent.		3 ft.		45 ft.	
				Number of Sacks Used	
				8	
12) Water Level					
ft below ground surface					
13) Water Quality					
Did the water contain fuel (PSH)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
14) # Drums					
15) Job #					
16) Driller					
000 296 SMT Sales					

Revised 08/03/05

