

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bruzos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87501

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 ☒

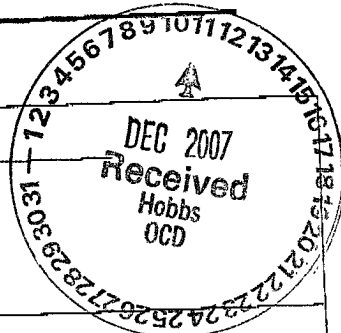
Operator: Yates Petroleum Corporation Telephone: 505-748-4500 e-mail address: mjkes@ynpcnm.com

Address: 105 South 4th Street, Artesia, NM 88210

Facility or well name: Merle State Unit #13 API #: 30-025-38393 U/L or Qtr/Qtr M, Sec 11 T 10S R 34E

County: Lea Latitude 33.45709 Longitude 103.44191 NAD: 1927 ☒ 1983 ☐

Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐



Pit Type: Drilling ☒ Production ☐ Disposal ☐ Work over ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 24000 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) <u>250</u> <u>70</u>		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 201 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' overlap 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 monitor well - by O'D' Cal

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: 09/25/2007

Printed Name/Title Mike Stubbieff / Environmental Regulatory Agent

Signature *Mike Stubbieff*

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:

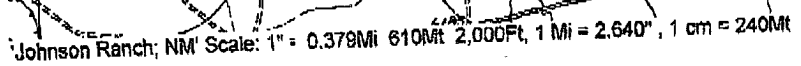
Printed Name/Title CARIS WILLIAMS

Signature

Chris Williams

Date:

12/2/07



YATES

WELL REPORT

NEERLE STATE #1

1) Well Location				
County	Physical Address	City	State	Zip
USA	CROSS MOADS N.M.	CROSS MOADS	N.M.	
2) GPS Coordinates				
Latitude		Longitude		
33° 21' 56" N		103° 26' 16" W		
3) Proposed Use of Well (Check One)				
☐ Monitor Well		☒ Soil Boring		☐ Other
4) Drill Dates				
Start Date		Completion Date		
5) Diameter of Hole				
Diameter (inches)	From (Feet)	To (Feet)		
7 7/8	0	20		
6) Drilling Method (Check One)				
☐ Air Rotary		☐ Mud Rotary		☒ H.S.A.
				☐ Other
7) Location Well / Soil Boring Number				
MW #	SB # 1			
8) Well Boring Soil Description				
From (Feet)	To (Feet)	Description and color of formation material		
0	3	Light Brown Top Soil		
3	10	Light tan silty calciche		
10	18	hard calciche rock		
18	27	Light tan calciche sand rock		
27	35	light tan calciche		
35	48	light tan calciche		
48	70	light greenish gray clay		
9) Borehole Completion (Sanding Information)				
Gravel From	Gravel To (Feet)	Sand Size	Bags Used	
0	0	0	0	
10) Borehole Completion (Sanding Information)				
Screen From	Screen To (Feet)	Material	Diameter	Screen Slot Size
0	0	0	0	0
Casing From	Casing To (Feet)	Material	Diameter	Casing Schedule
0	0	0	0	0
11) Cementing Data				
Cement From	Cement To	Number of Sacks Used		
Surface Seal	0 ft.	2	ft.	1 Sack
Seal to Bent.	2	ft.	70	ft. 10 Sacks
12) Water Level				
13) Water Quality				
6 ft. ft below ground surface		Did the water contain fuel (PSH)? ☐ Yes ☒ No		
14) Drums				
15) Job #				
16) Driller				
YATES P027 S01 2				
TROY LUGG				
17) Owner Information				