

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 87411
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 NMOC 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: yates@yppenn.com

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

Facility or well name: Belco AIA Federal #311 API # 30-025-38719 11/1 or Oil/Gas Sec 14.1 208 R 321

County: Lea Latitude: 32.57134 Longitude: 103.73366 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: 28000 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	(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 100 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 work plan 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 displaced 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

DEIR REPORT ATTACHED

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 NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐

Date: 03/07/2008

Printed Name/Title: Mike Stubblefield / Environmental Regulatory Agent

Signature: *Mike Stubblefield*

Your certification and NMOC 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

Signature: *[Signature]* ENVIRONMENTAL ENGINEER

Date: 4.30.08

10/05/2007 10:09

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TALON LPE HOBBS

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AMARILLO
821 North Elvins
Amarillo, Texas 79107
Phone 806.467.0807
Fax 806.467.0822

September 21, 2007

AUSTIN
3003 Tam 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
49 East Industrial Loop
Midland, Texas 79701
Phone 432.522.2193
Fax 432.522.2180

NEW BRAUNFELS
707 N. Walnut Ave.
Suite 208
New Braunfels, Texas 78130
Phone 210.579.0235
Fax 210.566.2191

On September 17, 2007 Talon/LPE drilled to 76 feet and set a temporary monitoring well at the YATES BELCO AIA FED. #1 in Lea county New Mexico. The site is at GPS coordinates 37.571284N 103.734416 W in Section 14 Township 20S Range 32E. 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 September 20, 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 Gabe Perez. 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.

Respectfully Submitted,

TULSA
9906 East 43rd Street, Ste. B
Tulsa, OK 74146
Phone 918.742.0871
Fax 918.742.0875

Eb Taylor
Talon/LPE Hobbs Office Manager

HOBBS
318 East Taylor Street
Hobbs, New Mexico 88241
Phone 505.393.4281
Fax 505.393.4658

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING

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TALON LPE HOBBS

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WELL REPORT

1) Well Location					
County	Physical Address		City 30 mi E of	State	Zip
LEA	US-180 & SR-176		Carlsbad	NM	88260
2) GPS Coordinates					
Latitude			Longitude		
37.571284			103.734416		
3) Proposed Use of Well (Check One)					
☒ Monitor Well			☐ Soil Boring		☐ Other
4) Drilling Dates					
Start Date			Completion Date		
9-17-07			9-17-07		
5) Diameter of Hole					
Diameter (Inches)		From (Feet)		To (Feet)	
5-5/8"		0		76	
6) Drilling Method (Check One)					
☒ Air Rotary		☐ Mud Rotary		☐ H.S.A.	
				☐ Other	
7) Monitor Well / Soil Boring Number					
MW # 1			SB #		
8) Well/Soil Description					
From (Feet)		To (Feet)		Description and color of formation material	
0		2		Surface Soil	
3		20		Caliche & gravel	
20		40		Gravel & sand	
40		60		Sand & sandstone	
60		76		Silty Clay	
9) Borehole Completion (Sanding information)					
Gravel From		Gravel To (Feet)		Sand Size	
70		4		8/16	
				Bags Used	
				14	
10) Borehole Completion (Sanding information)					
Screen From		Screen To (Feet)		Material	
70		5		PVC	
				Diameter	
				2"	
				Screen Slot Size	
				0.010"	
Casing From		Casing To (Feet)		Material	
5		0		PVC	
				Diameter	
				2"	
				Casing Schedule	
				40	
11) Cementing Data					
		Cement From		Cement To	
Surface Seal		0 ft		N/A	
Seal to Bent.		1 ft		0 ft	
				Number of Sacks Used	
12) Water Level					
13) Water Quality					
ft below ground surface			Did the water contain fuel (PSH)?		
			☐ Yes ☒ No		
14) # Drums		15) Job #		16) Driller	
0		YATES-RESCO-11-21-07-02		GARE PERCZ	
17) Owner Information					
YATES					

Revised 10/02/08

