

ench Dr., Hobbs, NM 88240
Grand Avenue, Artesia, NM 88210
District IV
1000 Rio Brazos Road, Aztec, NM 87410
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

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 mikes@ypcnm.com

Address 105 South 4th Street, Artesia, N M 88210

Facility or well name Gretchen BHX Federal #1 API # 30-025-38159 U/L or Qtr/Qtr N Sec 29 T 9S R 34E

County Lea Latitude 33 49964 Longitude 103 4884 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)

Less than 50 feet

50 feet or more, but less than 100 feet

100 feet or more

(20 points)

(10 points) XXXX

(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

No

(20 points)

(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

200 feet or more, but less than 1000 feet

1000 feet or more

(20 points)

(10 points)

(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 An 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

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 04/25/2008

Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature Mike Stubblefield

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

Chris Williams

Signature

CHRIS WILLIAMS/DIST. SEAL

Date

6/04/08

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1625 N French Dr., Hobbs, NM 88240
District II
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Work over ☐ Emergency ☐
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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 _____

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	50 feet or more, but less than 100 feet	(10 points) XXXX
	100 feet or more	(0 points)
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Additional Comments Registration for encapsulation trench The drilling pit contents will be mixed to stiffen the pit contents An 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

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Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent

Signature

Mike Stubblefield

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Approval

Printed Name/Title

Chris Williams

Signature

CHRIS WILLIAMS

Date

6/04/08

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Printed Name/Title Mike Stubblefield / Environmental Regulatory Agent Signature Mike Stubblefield

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Approval

Printed Name/Title CHRIS WILLIAMS / DIST. SUP. Signature Chris Williams Date 6/4/08



April 10, 2008

ALBUQUERQUE
521 North Blvd.
Albuquerque, Texas 78107
Phone 505 467 6607
Fax 505 467 6622

Mr. Larry Johnson
NMOCD District 1 Office
1625 N French Dr
Hobbs, New Mexico 88240

AUSTIN
3003 Fort Gary Court
Building C 100
Austin, Texas 78704
Phone 512 955 3423
Fax 512 955 3427

Re: Temp Monitor Well - Final Report

Operator: Yates Petroleum Company
Lease Name: Gretchen "BHX" Federal 01
Legal: Unit N Sec 29- T9S - R34E
660' FSL & 1930' FWL
API: 30-025-38159

MIDLAND
775 East Industrial Loop
Midland, Texas 79701
Phone 432 522 2133
Fax 432 522 2160

Dear Mr. Johnson:

On April 3, 2008 Talon/LPE was contracted by Yates Petroleum Company to drill a temporary monitor well at the Gretchen "BHX" Federal 01 in Lea County, New Mexico to determine actual depth to water. Talon/LPE driller Gabe Perez drilled and set a temporary monitor well at GPS coordinates N33° 29' 59.1", W103° 29' 20.5" with Project Manager Shelly J. Tucker overseeing the drilling operations. The temporary monitor well was drilled to a depth of 70' and was allowed set for 120 hours before it was checked with a water level indicator.

NEW BRAUNFELS
707 N Walnut Ave.
Suite 208
New Braunfels, Texas 78130
Phone 214 579 0225
Fax 214 568 2191

On April 8, 2008 Shelly J. Tucker of Talon/LPE tested the well for water and found the well to be dry at 70'.

TULSA
9506 East 43rd Street, Ste G
Tulsa, OK 74145
Phone 918 742 0871
Fax 918 742 0876

At this time Talon/LPE and Yates Petroleum Company are requesting that this information be accepted for official record and to adjust their site ranking accordingly. If you should have any questions please feel free to contact me at 505-706-9121 or 505-706-7234.

HOBBBS
315 East Taylor Street
Hobbs, New Mexico 88241
Phone 505 396 4201
Fax 505 391 1055

Respectfully Submitted,

Shelly J. Tucker
Project Manager
Talon/LPE

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
EMERGENCY RESPONSE

Toll Free 866 742 0742
www.talonlpe.com

WELL REPORT

5281 II SE
(FLYING M RANCH)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

