

Mr. Keith Cannon  
Drilling / Production Manager  
Harvey E. Yates Company  
PO Box 1933  
Roswell, New Mexico 88202 -1933

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FEB 19 2010  
HOBBSOCD

*L. Johnson*  
ENVIRONMENTAL ENGINEER  
2.19.10

10 February 2010

Mr. Larry Johnson  
OIL CONSERVATION DIVISION  
1625 N. French Drive  
Hobbs, NM 88240

*L. Johnson*  
ENVIRONMENTAL ENGINEER

Re: Young Deep 4 Federal No. 2 Notification of Intent to Remediate Drilling Pit Cover  
(API No.: 30-025-27679) U/L P S4 T18S R32E, 660' FSL and 660' FEL

Dear Mr. Johnson:

On 28 December 2009 Mr. Jim Amos of the Bureau of Land Management (BLM) notified the Harvey E. Yates Company (HEYCO) that the reclaimed drilling pit resulting from drilling operations during March and April 1982 needed to be re-capped.

Nadel & Gussman Heyco, LLC (NGH) will investigate the possibility of utilizing local materials for correcting the previously reclaimed pit area when ambient weather conditions allow for infield activities. No materials will be harvested for use or applied without sampling in order to determine the presence of contaminants and submitting analytical results to the NMOCD. Once the integrity of the cap has been re-established and topographically matched to local contour trends, the soil will be reseeded with BLM Seed Mix No. 2.

New Mexico Oil Conservation Division (NMOCD) will be notified prior to any infield activities on this location. All appropriate documents will be filed upon completion of remediation activities.

We thank you for your assistance in the matter. Should you have questions please phone (575-626-1936).

Sincerely,

*Keith Cannon*  
Keith Cannon  
Drilling and Production Manager

Enclosure: BLM Letter

Cc: Jim Amos, BLM

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## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 E. Greene St.  
Carlsbad, New Mexico 88220-6292  
www.blm.gov/nm



In Reply Refer To:  
3162.4 (LLNMP0221)  
NMNM4364

December 28, 2009

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, NM 88202-1933

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FEB 19 2010

HOBBSDALE

RE: NMNM4364: Young Deep 4 Federal 2  
660' FSL & 660' FEL, Section 4, T18S-R32E  
Lea County, New Mexico

Gentlemen:

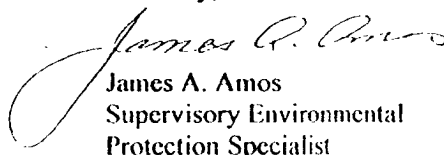
On December 28, 2009 the Bureau of Land Management (BLM) completed a field examination of the referenced well. The old reserve pit is leaching salts to surface and has large amounts of pit plastic exposed. This is an indicator that the initial pit reclamation was not adequate.

HEYCO is drilling in the area. This would be a good time to address the referenced location. Interim reclamation is required within six months of completion. Material from interim reclamation can be used to cap the pit with adequate material to prevent the salts from leaching to surface. Downsizing of the above referenced location is also a solution to finding adequate material for capping. The portions of the location not needed for daily operations can be flipped onto the pit area. I would also apply some of the good soils from under the caliche as a final cap after contouring of the pit to blend with the surrounding landscape. Seed with BLM #2 seed mix.

The best window for seeding would be around June 15<sup>th</sup> to have in place prior to the monsoons. When the above work is completed, submit a Sundry Notice (Form 3160-5, one original and 3 copies), Subsequent Report of Reclamation.

Contact Jim Amos, Supervisory Environmental Protection Specialist, at (575) 234-5909 if you have any questions.

Sincerely,

  
James A. Amos  
Supervisory Environmental  
Protection Specialist