

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: PEOPLES ENERGY PRODUCTION-TEXAS, LP Telephone: 713-890-3651 e-mail address: dsumrall@pecorp.com

Address: 909 Fannin Suite 1300 Houston, Tx 77010

Facility or well name: GARDNER C 7A API #: 30-045-32052 U/L or Qtr/Qtr SW/NW Sec 26 T32N R9W

County: San Juan Latitude 36°57'27" Longitude 107°45'14" NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 8 mil Clay ☐

Pit Volume 1100 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)

100 feet or more X

( 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 X

( 0 points)

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 X

( 0 points)

Ranking Score (Total Points)

0 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 \_\_\_\_\_. (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:

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 OGD-approved plan ☒.

Date: 8/21/04

Printed Name/Title Dwayne Sumrall / Pres & CEO Signature Dwayne Sumrall

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.

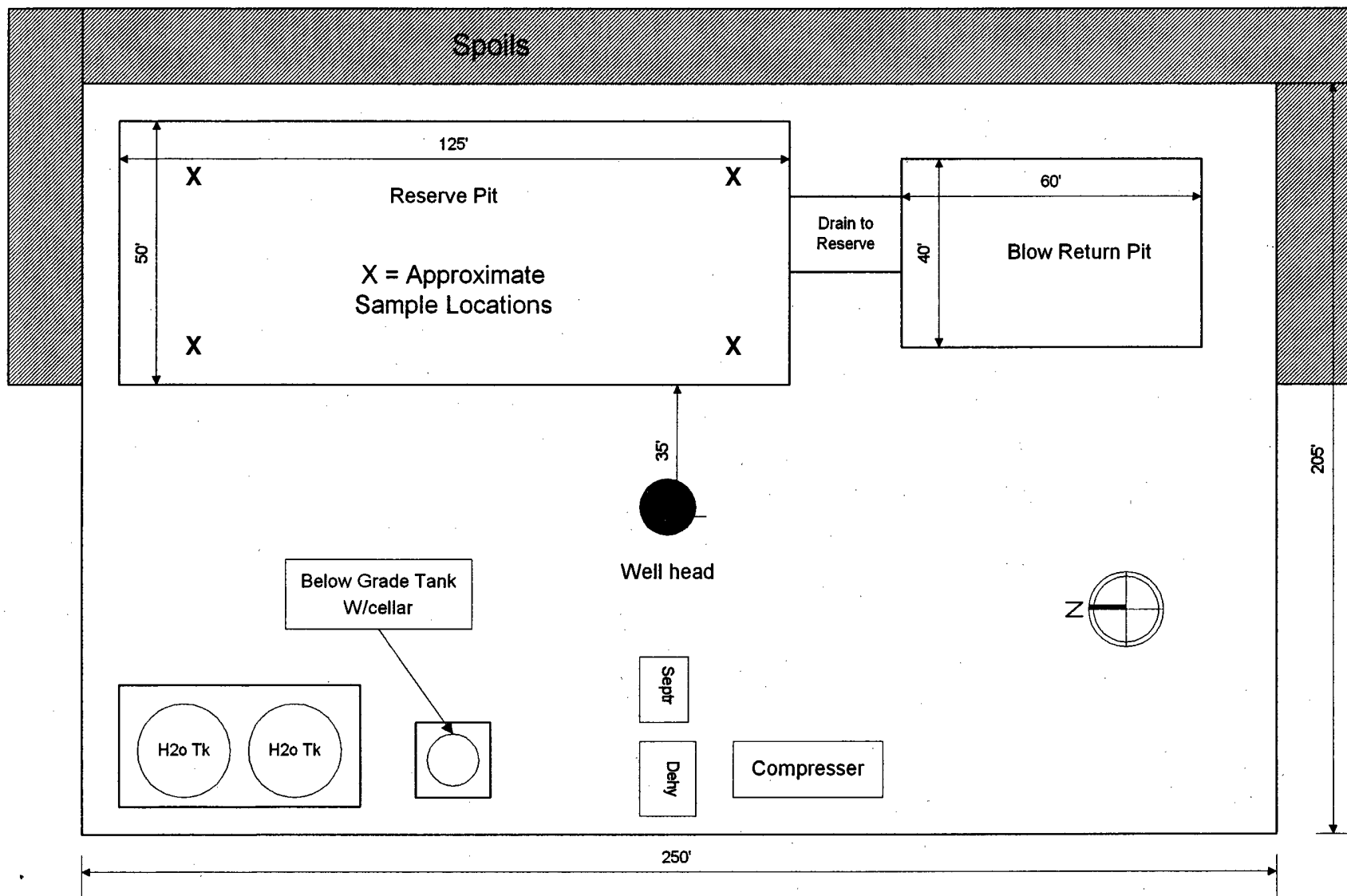
Approval: DEPUTY OIL & GAS INSPECTOR, DIST. #3

Printed Name/Title

Signature Derry Ford

Date: SEP -2 2004

**PEOPLES ENERGY PRODUCTION**  
**GARDNER C 7A**  
**SW/NW S26, T32N, R9W 1835' FNL & 1280'FWL**  
**ELEVATION 6632'**



Not to Scale

PEOPLES ENERGY PROD. – TX, LP  
DISCRIPTION OF REMEDIAL ACTION TO  
CLOSE RESERVE PIT.

Well Name: Gardner C 7A

Location of Well: SW/NW S26, T32N, R9W (E) 1835' FNL & 1280' FWL

Lease Serial No.: NM013642

API Well No. 30-045-32052

Remedial Action;

- Sample and analyze reserve pit. (See attached ENVIROTECH lab results.)
- Cut 8 mil liner off at mud line.
- Fill in reserve pit with on site spoils free of trash and other materials.
- Back fill pit in 3' lifts. Walk down each lift with dozer or loader.
- The reserve pit will be backfilled, leveled and contoured so as to prevent any materials from being carried into the watershed. Upon the completion of backfilling, the area will be reseeded with the appropriate seed mixture as specified by the BLM. The seed mix for this project is above 10" of precipitation.
- All trash including pit liner will be hauled away to an approved landfill.

Remediation date: 9/1/04 thru 9/30/04

# ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

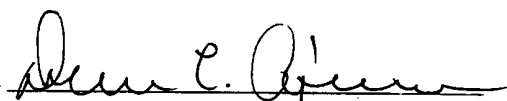
EC, SAR, ESP, CI Analysis

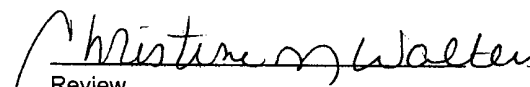
Client:	Peoples Energy	Project #:	04042-003
Sample ID:	Gardner C7A @ 9'	Date Reported:	08-22-04
Laboratory Number:	30155	Date Sampled:	08-18-04
Chain of Custody:	12716	Date Received:	08-18-04
Sample Matrix:	Mud	Date Extracted:	08-21-04
Preservative:	Cool	Date Analyzed:	08-22-04
Condition:	Cool & Intact		

Parameter	Analytical Result	Units
Conductivity @ 25° C	13.55	mmhos/cm
Calcium	10.0	mg/Kg
Magnesium	<0.01	mg/Kg
Sodium	1,760	mg/Kg
Sodium Absorption Ratio (SAR)	153	ratio
Exchangeable Sodium Percent (ESP)	68.9	percent
Chloride	655	mg/Kg

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.

Comments: Arkansas Loop.

  
Analyst

  
Review

Client:	Peoples Energy	Project #:	04042-003
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Sample Matrix:	Mud	Date Analyzed:	08-22-04
Preservative:	Cool	Date Digested:	08-21-04
Condition:	Cool & Intact	Analysis Needed:	RCRA Metals

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)	TCLP Regulatory Level (mg/Kg)
Arsenic	0.004	0.001	5.0
Barium	0.176	0.001	100
Cadmium	ND	0.001	1.0
Chromium	0.001	0.001	5.0
Lead	0.001	0.001	5.0
Mercury	ND	0.001	0.2
Selenium	0.002	0.001	1.0
Silver	ND	0.001	5.0

ND - Parameter not detected at the stated detection limit.

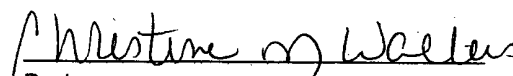
References: Method 3050B, Acid Digestion of Sediments, Sludges and Soils.  
SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emission Spectroscopy, SW-846, USEPA, December 1996.

Note: Regulatory Limits based on 40 CFR part 261 subpart C  
section 261.24, August 24, 1998.

Comments: **Arkansas Loop.**

  
Analyst

  
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EPA METHOD 8015 Modified  
Nonhalogenated Volatile Organics  
Total Petroleum Hydrocarbons


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Chain of Custody No:	12716	Date Received:	08-18-04
Sample Matrix:	Mud	Date Extracted:	08-21-04
Preservative:	Cool	Date Analyzed:	08-21-04
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

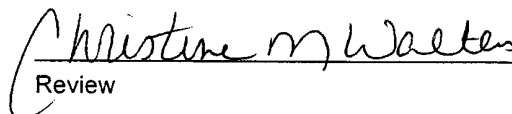
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Arkansas Loop.**

  
Analyst

  
Review