

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

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: Chevron MidContinent Alaska Telephone: (505) 394-1237 e-mail address: BillyAnderson@chevron.com
Address: Box 1949, Eunice, NM 88231 30-015-28561
Facility or well name: Marquardt Federal #6 #: 30-015-28561 (2RP#25) U/L or Qtr/Qtr E Sec 1 T 25S R 26E
County: Eddy Latitude N 32 deg 16'12" Longitude W 104 deg 25'42" NAD: 1927 1983
Surface Owner: Federal State Private Indian

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20</u> mil Clay <input type="checkbox"/> Pit Volume <u>7000</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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
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)
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)
Ranking Score (Total Points)		10

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: The burial pit was excavated until a rock layer was encountered and excavation could not continue with a trackhoe. Samples were collected and submitted to a laboratory for chloride analyses. The bottom of the excavation was covered with a double-4 oz. felt liner. A 20 mil plastic liner was placed above the felt liner, and all stockpiled soil was encapsulated within the 20 mil liner, to a depth of 3' bgs. Clean soil was placed above the encapsulated material, from a depth of 3' bgs to surface. The surface soil was contoured to grade and re-seeded with BLM #4 seed mixture.
A Remediation and Reclamation Report is submitted with this final C144, that provides all analytical documentation.

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: June 5, 2008
Printed Name/Title: Billy A. Anderson, HES Specialist Signature: [Signature]

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.

Approved: Accepted for record NMOCD Signed By: [Signature] Date: JUN 16 2008
Printed Name/Title: _____ Signature: _____

Final Closure

June 9, 2008

Mr. Bob Ballard
United States Department of the Interior
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220-6292

**RE: Remediation and Reclamation Reports
Chevron MidContinent Alaska
Marquardt Federal #3
Marquardt Federal #6
Eddy County, New Mexico**

Dear Mr. Ballard:

Attached please find the Remediation and Reclamation Reports for the Chevron MidContinent Alaska, Marquardt Federal #3 and Marquardt Federal #6 sites. The sites have been reclaimed to BLM standards and these final reports are also being submitted to the New Mexico Oil Conservation Division for approval of the pit closures.

If you have any questions or need additional information, please do not hesitate to call me at (505) 441-7244 or email me at Cindy.Crain@gmail.com.

Sincerely,
Ocotillo Environmental



Cindy K. Crain, P.G.
Environmental Manager

cc: Mike Bratcher, NMOCD, Artesia
Bill Anderson, Chevron

June 9, 2008

Mr. Bob Ballard
United States Department of the Interior
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220-6292

**Re: Remediation and Reclamation Report
Marquardt Federal #6
Unit Letter E, Section 1, T25S, R26E
Eddy County, New Mexico
Lat. N 32° 16120', Long. W 104° 25424'
(2RP # 25)**

Dear Mr. Ballard:

Chevron MidContinent Alaska (Chevron) has retained Ocotillo Environmental, LLC (Ocotillo) to conduct soil reclamation activities at the Marquardt Federal #6 old reserve pit location. The abandoned well and pit are located in the southwest quarter (SW/4) of the northwest quarter (NW/4), Section 1, Township 25 South, Range 26 East, Eddy County, New Mexico (Site). A letter from the Bureau of Land Management (BLM) was received by Chevron on July 30, 2007, requesting that soil samples be collected at the site and a reclamation plan be submitted if the samples "came back high greater than 3000 mg/l". On September 25, 2007, a Reclamation Workplan was submitted to the BLM and approved on October 22, 2007. The Workplan was subsequently submitted to the New Mexico Oil Conservation Division (NMOCD) in Artesia, New Mexico, also on October 22, 2007, for approval. Approval of the plan was denied by the NMOCD on December 13, 2007, and a new workplan for the encapsulation of the entire pit contents was requested. A Remediation and Reclamation Workplan, proposing encapsulation of the pit contents, was submitted to the BLM and the NMOCD on December 17, 2007, and approved by both agencies. Figure 1 shows the site location.

As discussed with Mike Bratcher, of the NMOCD in Artesia, depth to groundwater at the Marquardt Federal #3 site has been proven to be greater than 70 feet below ground surface. A soil boring was drilled at the Marquardt Federal #1 located in Section 1, Township 25 South, Range 26 East, to a depth of 70 feet bgs, and allowed to remain open in order to measure a depth to groundwater. Groundwater was never observed in the borehole. The elevation of the Marquardt Federal #1 is 3,288 feet above mean sea level (AMSL) and the elevation of the Marquardt Federal #6 is 3,360 feet AMSL.

Remediation and Reclamation Activities

On March 13, 2008, excavation of the pit contents was initiated at the Marquardt Federal #6 site. As the exact location of the pit was unknown, excavation began at the borehole location BH-3, shown on Figure 2. Table 1 provides a summary of the chloride concentrations reported from soil samples collected at the surface and from soil borings installed during the initial investigation.

Mr. Bob Ballard
Page 2
June 9, 2008

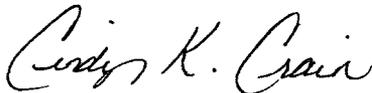
Excavation continued to the north, south, east and west until blue plastic, marking the pit boundaries, was no longer evident. On March 19, 2008, soil samples (SS-1 through SS-5) were collected below the liner, at a depth of seven (7) feet bgs in the center and each corner of the excavated area. All soil samples were placed in clean glass sample jars and delivered under chain-of-custody control to Cardinal Laboratories (Cardinal), located in Hobbs, New Mexico, for chloride analysis. Figure 3 shows the sample locations. Table 2 provides a summary of the laboratory results. Appendix A provides laboratory documentation.

Referring to Table 2, all samples collected from the bottom of the excavation reported chloride concentrations less than 3,000. The entire pit (150' x 210') was excavated to a depth of nine (9) feet bgs, until a layer of compacted limestone rock was encountered, and the bottom of the excavation was covered with a double, 4 ounce felt liner on April 9, 2008. A 20 mil plastic liner was placed above the felt, with enough overhang to completely encapsulate the stockpiled soil from the excavation. Stockpiled soil was placed in the excavation, above the 20 mil plastic, to a depth of approximately three (3) feet bgs and completely encapsulated. Clean soil from the excavation at a depth of seven (7) to nine (9) feet bgs, and from the surrounding area was used to backfill the remainder of the excavation from a depth of approximately three (3) feet bgs to surface. The surface was contoured to grade, and the entire site was re-seeded with BLM Mixture #4 on May 15, 2008. The area will be watered periodically to promote re-vegetation of the site.

As all requirements of both the BLM and the NMOCD regarding closure and reclamation of the Marquardt Federal #6 site have been met, Chevron respectfully requests that closure of the site be granted by each agency. A final C144 form is included in Appendix B for approval by the NMOCD.

If you have any questions or need additional information, please call Mr. Bill Anderson at (505) 394-1237 or myself at (505) 441-7244. We may also be reached by email at billyanderson@chevron.com or Cindy.Crain@gmail.com.

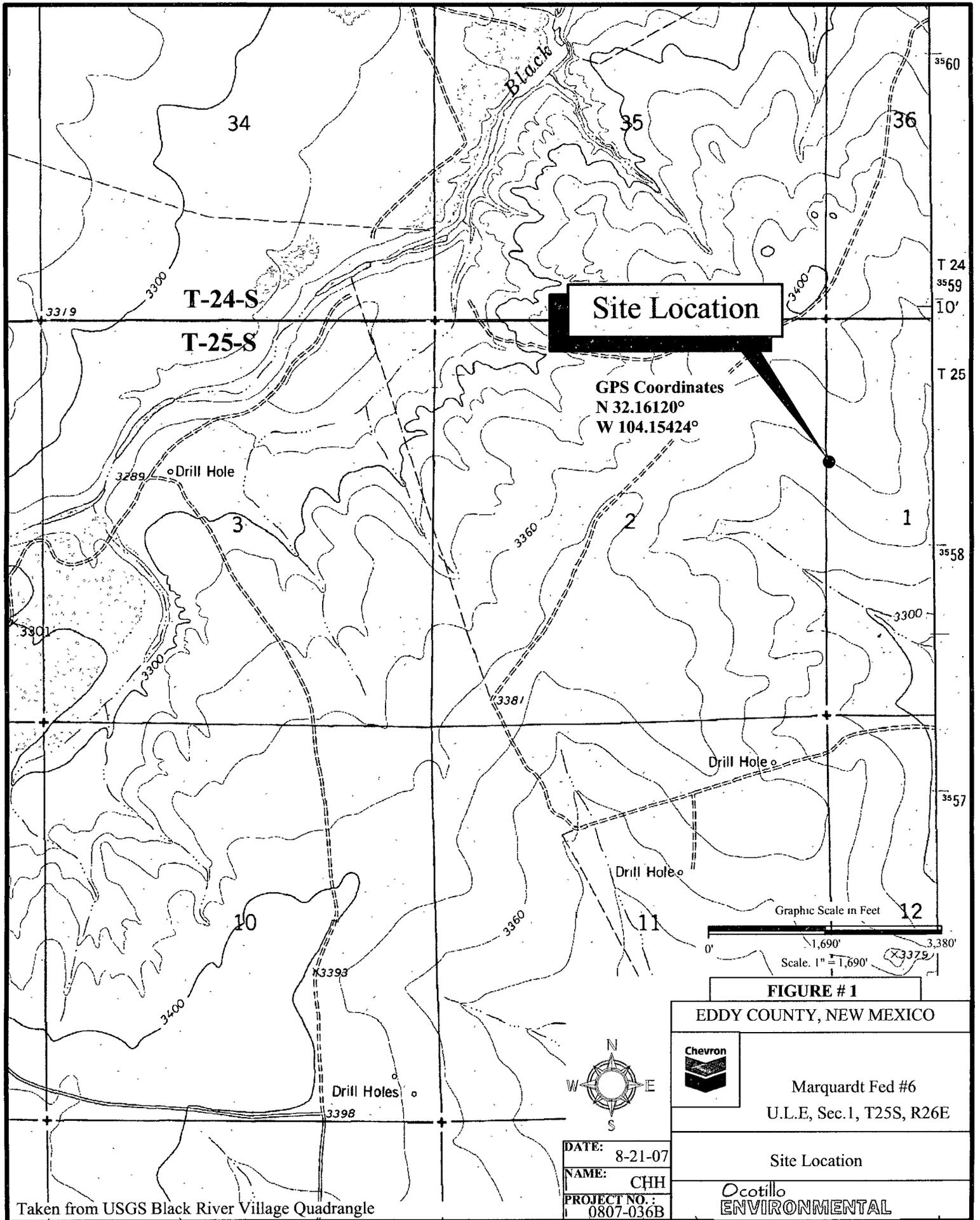
Sincerely,
Ocotillo Environmental, LLC



Cindy K. Crain, P.G.
Environmental Manager

cc: Bill Anderson, Chevron
Mike Bratcher, NMOCD, Artesia

FIGURES



Site Location

GPS Coordinates
 N 32.16120°
 W 104.15424°

Graphic Scale in Feet

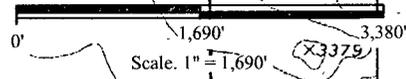


FIGURE # 1

EDDY COUNTY, NEW MEXICO



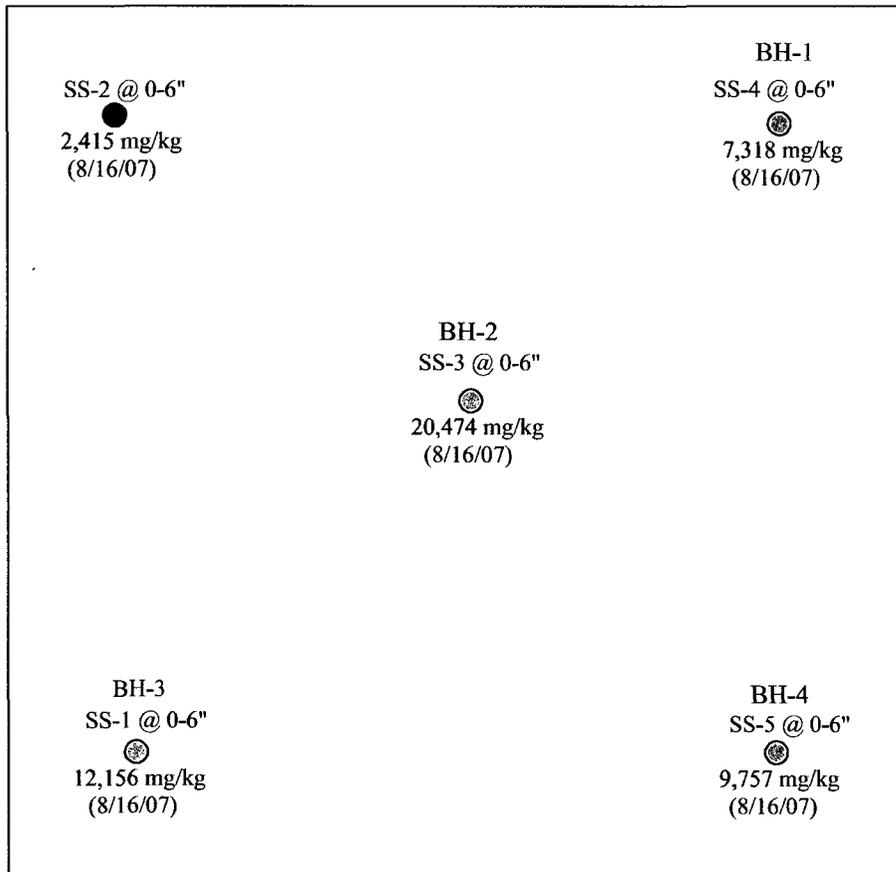
Marquardt Fed #6
 U.L.E., Sec.1, T25S, R26E

Site Location

Ocotillo
ENVIRONMENTAL

DATE: 8-21-07
 NAME: CHH
 PROJECT NO.: 0807-036B

Taken from USGS Black River Village Quadrangle



Sample Location GPS Coordinates		
BH-3	N32.16096°	W104.25450°
SS-2	N32.16136°	W104.25446°
BH-2	N32.16120°	W104.25424°
BH-1	N32.16133°	W104.25397°
BH-4	N32.16090°	W104.25403°

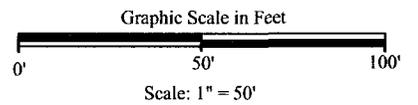


FIGURE # 2

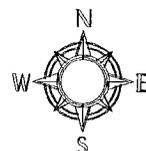
EDDY COUNTY, NEW MEXICO



Marquardt Fed #6
U.L.E, Sec.1, T25S, R26E

Site Drawing with Boring
and Sample Locations

Ocotillo
ENVIRONMENTAL



DATE: 9-23-07
NAME: CHH
PROJECT NO.: 0807-036B

LEGEND

SS-1 @ 0-6"
● Surface soil sample location, with depth (inches bgs), chloride concentration (mg/kg) and sample date.
(8/16/07)

BH-1
⊙ Bore hole sample locations drilled 9-17-07.

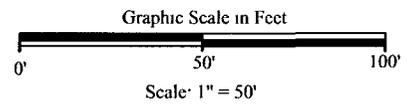
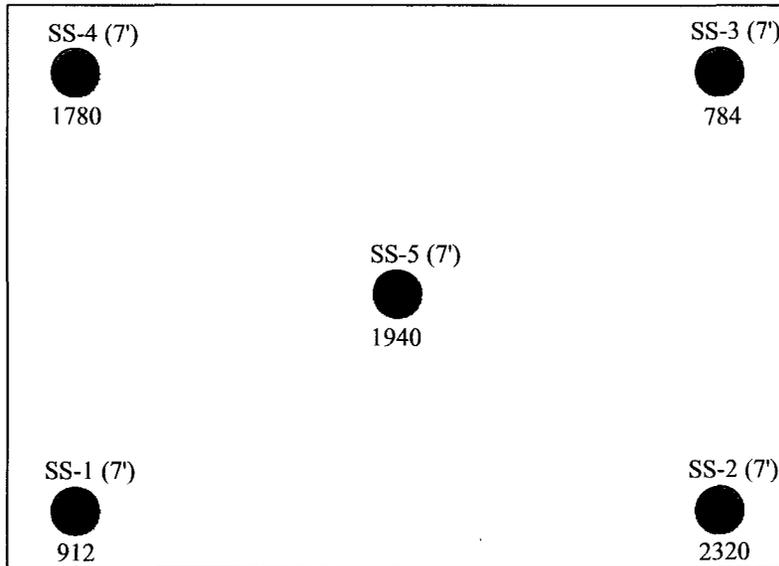
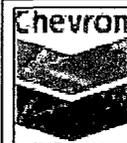
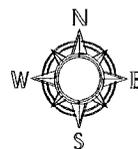


FIGURE # 3

EDDY COUNTY, NEW MEXICO



Chevron Marquardt
Federal #6
UL-E, Sec. 1, T25S, R26E



DATE: 5-16-08
NAME: MAC
PROJECT NO.: 0807-036B

Site Drawing With Soil Sample
Locations in Excavated Area

Ocotillo
ENVIRONMENTAL

Legend

SS-1 (7')



Soil Sample Location With Depth (feet bgs)
and Chloride Concentration (mg/kg)

912

TABLES

Table 1:
Summary of Laboratory Analysis of Soil Samples fom Surface and Soil Borings
Chevron MidContinent Alaska, Marquardt Federal #6
Section 12, Township 25 South, Range 26 East
Eddy County, New Mexico

Sample Date	Soil Sample Number	Sample Depth (feet BGS)	Chloride (mg/kg)
BLM Standard			3,000
8/16/07	SS-1	0-6"	12,156
9/17/07	BH-3	5-7	2,160
9/17/07	BH-3	10-12	768
9/17/07	BH-3	15-17	208
9/17/07	BH-3	20-22	224
8/16/07	SS-2	0-6"	2,415
8/16/07	SS-3	0-6"	20,474
	BH-2	5-7	3,170
	BH-2	10-12	176
	BH-2	15-17	112
	BH-2	20-22	96
8/16/07	SS-4	0-6"	7,318
9/17/07	BH-1	5-7	10,200
9/17/07	BH-1	10-12	1,090
9/17/07	BH-1	15-17	576
9/17/07	BH-1	20-22	176
8/16/07	SS-5	0-6"	9,757
9/17/07	BH-4	5-7	2,060
9/17/07	BH-4	10-12	2,080
9/17/07	BH-4	15-17	192
9/17/07	BH-4	20-22	128

Notes:

1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram

Table 2:
Summary of Laboratory Analysis of Soil Samples fom Excavation
Chevron MidContinent Alaska, Marquardt Federal #6
Section 12, Township 25 South, Range 26 East
Eddy County, New Mexico

Sample Date	Soil Sample Number	Sample Depth (feet BGS)	Sample Location	Chloride (mg/kg)	Soil Status
3/19/08	SS-1	7	SW Corner	912	Excavated *
3/19/08	SS-2	7	SE Corner	2,320	Excavated *
3/19/08	SS-3	7	NE Corner	784	Excavated *
3/19/08	SS-4	7	NW Corner	1,780	Excavated *
3/19/08	SS-5	7	Center	1,940	Excavated *

Notes:

1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram

* Soil excavated from a depth of 7' bgs to 9' bgs was used for backfill from 3' to surface.

APPENDIX A

Laboratory Data and Chain-of-Custody Documentation

APPENDIX B

Final C144 Form