

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

## Energy Minerals and Natural Resources

June 1, 2004

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

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: <u>LCX Energy, LLC</u> Telephone: <u>(432)687-1575</u> e-mail address: <u>larryg@aaronline.com</u>				
Address: <u>110 N. Marienfeld, Suite 200, Midland, TX 79701</u>				
Facility or well name: <u>1725 Fed Com #61</u>	API #: <u>30-015-34340</u>	U/L or Qm/Qtr <u>D</u> Sec <u>6</u> T <u>17S</u> R <u>25E</u>		
County: <u>Eddy</u>	Latitude <u>32.52' 13.02"N</u>	Longitude <u>104.31' 51.49"W</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/>		
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>				
<table border="1"> <tr> <td> <b>Pit</b>  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>12 mil</u> Clay <input type="checkbox"/>  Pit Volume <u>11M</u> bbl </td> <td> <b>Below-grade tank</b>  Volume: _____ bbl Type of fluid: _____  Construction material: _____  Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____ </td> </tr> </table>			<b>Pit</b> 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>12 mil</u> Clay <input type="checkbox"/> Pit Volume <u>11M</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
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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) XXX 100 feet or more (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 (0 points) XXX			
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) XXX			
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: \_\_\_\_\_. (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: Work plan for the closure of 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 be placed over the pit contents with a min of a 3' over lap of the underlying trench area. Then encapsulation trench will then be backfilled back to grade using a min of 3' of clean soil and like material. A one call and 48 hr notice will be provided to the Oil Conservation Division before pit closure actions begin. Pit closure actions will begin 1 week after permit approval.
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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: 3/15/06Printed Name/Title Larry Gillette, Operations Mgr. Signature 

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 Date: 3-15-06