

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

SEP 06 2007 Oil Conservation Division
1220 South St. Francis Dr.
NMOCD-ARTESIA 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 <u>Myco Industries, Inc</u> Telephone <u>748-1471</u> e-mail address <u>blarson@37170netmail.com</u>		
Address <u>RD. Box 840 Artesia, NM 88211</u>		
Facility or well name <u>Altal 32 Fee #1 H</u>	API # <u>30-005-63850</u>	U/L or Qtr/Qtr <u>P</u> Sec <u>32</u> T <u>15s</u> R <u>25 E</u>
County <u>Eddy</u>	Latitude _____	Longitude _____ NAD 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
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 type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>4,000</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	(20 points)
	50 feet or more, but less than 100 feet	(10 points) <u>10</u>
	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) <u>20</u>
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)
Ranking Score (Total Points)		<u>30</u>

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 Myco plans to trench bury the drilling pit at the Altal 32 Fee #1 H. As per rule 50 of the Pit and Below Grade Tank Guidelines, we will line the trench with 12 mil liner and bury pit contents and liner then cover with 20 mil plastic. We end with 3' of native material capable of supporting native plant growth. This well did not penetrate a salt section and was drilled with less than 9.5 lb/gal brine.

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 9-5-07

Printed Name/Title Brad Larson Agent. 505 365-8865 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.

Approval

Printed Name/Title

DENIED

Signature

See attached

Date

SEP 7 2007

**Reasons for DENIAL
Of Pit Closure**

Application for Permit Closure unsigned.

Pit is situated in an agricultural area pit contents must be hauled to an NMOCD approved disposal area.

DATA INDICATES THIS AREA TO BE WATER SENSITIVE.



MYCO INDUSTRIES, INC.
OIL PRODUCERS
POST OFFICE BOX 840
ARTESIA, NEW MEXICO 88211-0840
Phone (505) 748-1471

September 5, 2007

Oil Conservation Division
1301 W. Grand
Artesia, NM 88210

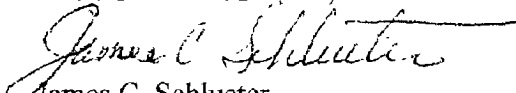
Re: Alfalfa 32 Fee #1H
S/2-Sec. 32-T15S-R25E
Chaves County, NM

To Whom It May Concern:

No salt sections were encountered during the drilling of the Alfalfa 32 Fee #1H. The well was spudded in surface sands and gravels then encountered the San Andres Dolomite and Limestone at 610 feet. The rest of the well was drilled in Permian carbonates and clastics.

Sincerely,

MYCO INDUSTRIES, INC.


James C. Schlueter
Geologist

JCS:bp