

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

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

Form C-144  
June 1, 2004

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐ Submitted 4/16/04

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

DEC 20 2007  
OCD-ARTESIA

Operator MCKAY OIL CORPORATION Telephone 505-622-4795 e-mail address jennifer@mckayoil.com  
Address PO Box 2014 Roswell, NM 88202-2014  
Facility or well name LL&E B Fed #5 API # 30-005-63751 U/L or Qtr/Qtr O Sec 1 T 6S R 22E  
County CHAVES Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank	
Type <u>Drilling</u> <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 <u>Synthetic</u> <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ bbl	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>100 feet or more</u>	<u>( 0 points)</u>
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)
	<u>No</u>	<u>( 0 points)</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)
	<u>1000 feet or more</u>	<u>( 0 points)</u>
Ranking Score (Total Points)		0

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 your 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. An Amended Plan Pit Remediation is attached

TRENCH BURY @ LL&E C Fed #3

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 12/19/2007

Printed Name/Title James L. Schultz, Agent

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

Approval

Printed Name/Title

Signature

Signed By [Signature]

Date

DEC 20 2007

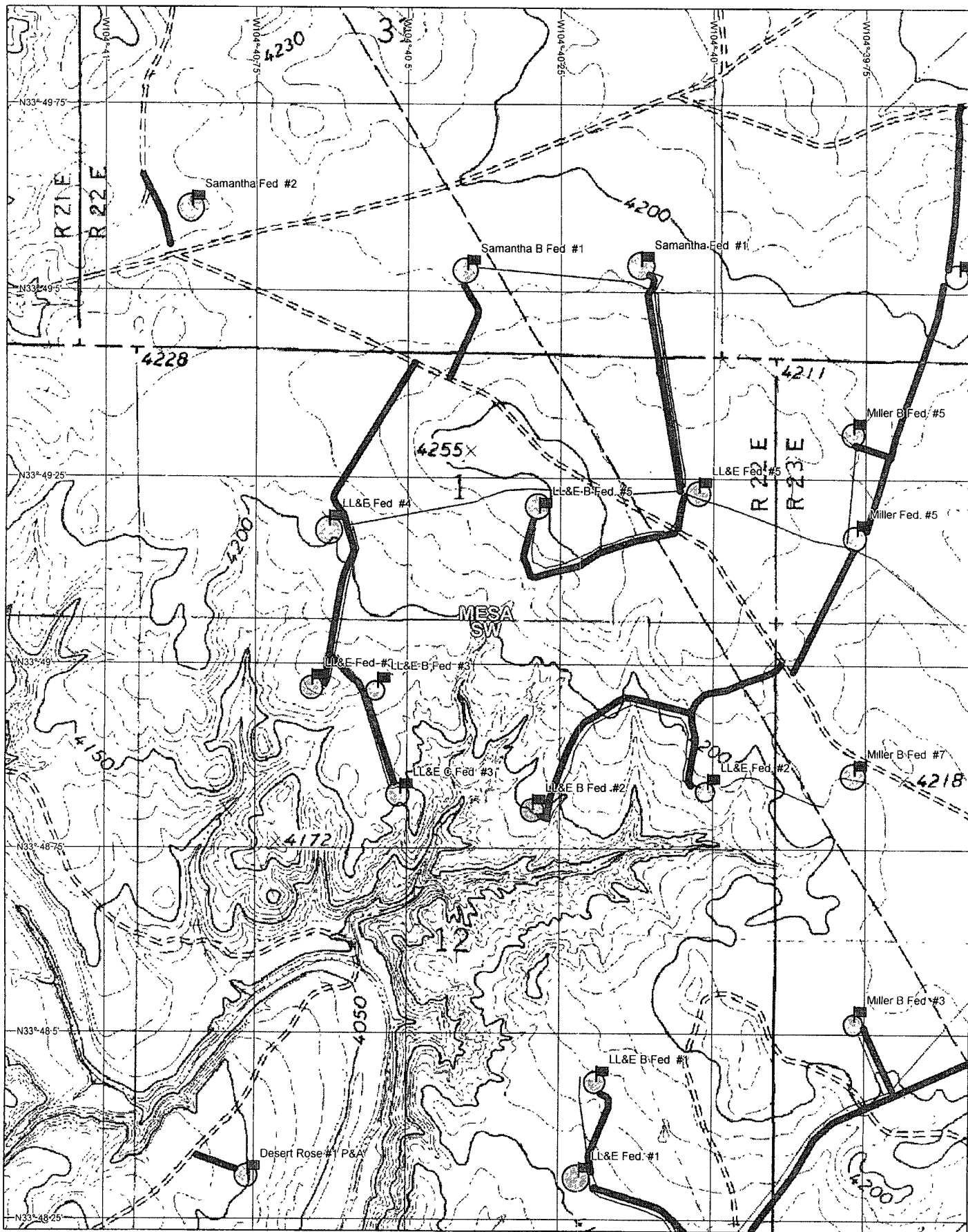
Approval per attached work plan - Notify OCD 24 Hours prior to commencement of operations & 24 Hours prior to obtaining samples

Amended  
Reserve Pit Remediation Plan

LL&E B Fed. #5  
840'FSL & 1980'FEL  
Sec. 1, T6S, R22E

1. Operator proposes to bury pit material in a trench located on the LL&E C Fed. #3 located at 1500' FNL & 2180'FWL, Sec. 12, T6S, R22E.
2. The trench at the LL&E C Fed. #3 has been tested for chlorides by Safety & Environmental Solutions, Inc. of Hobbs, NM. The tests show the trench to be less than 250 ppm.
3. The trench will be lined with a 20 MIL liner and the cuttings, pit liner and any contaminated soil from the LL&E B Fed. #5 will be trucked in and placed in the lined trench. (See attached map)
4. The LL&E B Fed. #5 pit area is located on top of a rock bed, but samples will be taken at the spots shown on Exhibit A to determine the chloride levels. Any soil with a chloride count of over 250 ppm will also be hauled to the LL&E C Fed. #3 trench.
4. The trench at the LL&E C Fed. #3 will then be covered with a 20 MIL liner and back filled with 3' of clean topsoil.
5. The pit area on the LL&E B Fed. #5 will then be covered with a 20 MIL liner and covered with 1' to 3' of clean top soil to match the contour of the surrounding wellsite area.

NOTE: The surface owner of both wellsites is the Bureau of Land Management (BLM). The BLM has agreement to this proposed remediation plan (See attached Sundry Notice). Further, Mike McGee, the Hydrologist for the BLM, believes that the water depth at both locations is approximately 625' and will not be impacted by this plan.



LL&E B Fed. #5  
Unit O, Sec. 1, T6S, R22E  
Chaves County, NM

