

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: <u>BOLD ENERGY, LP</u> Telephone: <u>432-661-8803</u> e-mail address: <u>DOONY.MONEY@BOLDENERGY.COM</u>							
Address: <u>415 W. WALL ST. 500, MIDLAND, TX 79701</u>							
Facility or well name: <u>ESPERANZA 24-1</u> API #: <u>30-015-34205</u> U/L or Qtr/Qtr <u>F</u> Sec <u>24</u> T <u>22S</u> R <u>26E</u>							
County: <u>EDDY CO. NM</u> Latitude <u>32°-22'-50.2"-N</u> Longitude <u>104°-14'-56.5"-W</u> 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 checked="" 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>2500</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: <u>N/A</u>						
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>95' BGS</u>	<table border="1"><tr><td>Less than 50 feet</td><td>(20 points)</td></tr><tr><td>50 feet or more, but less than 100 feet</td><td>(10 points)</td></tr><tr><td>100 feet or more</td><td>(0 points)</td></tr></table> <u>possibly 250</u> <u>10</u>	Less than 50 feet	(20 points)	50 feet or more, but less than 100 feet	(10 points)	100 feet or more	(0 points)
Less than 50 feet	(20 points)						
50 feet or more, but less than 100 feet	(10 points)						
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.)	<table border="1"><tr><td>Yes</td><td>(20 points)</td></tr><tr><td>No</td><td>(0 points)</td></tr></table> <u>0</u>	Yes	(20 points)	No	(0 points)		
Yes	(20 points)						
No	(0 points)						
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	<table border="1"><tr><td>Less than 200 feet</td><td>(20 points)</td></tr><tr><td>200 feet or more, but less than 1000 feet</td><td>(10 points)</td></tr><tr><td>1000 feet or more</td><td>(0 points)</td></tr></table> <u>0</u>	Less than 200 feet	(20 points)	200 feet or more, but less than 1000 feet	(10 points)	1000 feet or more	(0 points)
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>10</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:
<u>PLEASE SEE ATTACHED WORK PLAN</u>
<u>FOR PIT CLOSURE</u>
<u>FEB 14 2008</u>
<u>OCD-ARTESIA</u>

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: _____

Printed Name/Title Donny Money / Prod. Supt. 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

DENIED

Signature

DENIED

Date: FEB 15 2008



PHOENIX ENVIRONMENTAL LLC

P.O. Box 1856

2113 French Dr.

Hobbs, NM 88241-1856

Office 505-391-9685

Fax 505-391-9687

February 4, 2008

Bold Energy, LP
415 W. Wall, Ste. 500
Midland, Texas 79701

Attn: Mr. Shannon Klier
Operations Engineering Manager

**RE: Work Plan and Request to Move the Esperanza 24-1 Drilling Pit
Located in UL-F, Sec 24, T22S and R26E API # 30-015-34205 to the GoPoGo
#2 Located in Sec 24, T22S and R26E API # 30-015-204640000 in Eddy Co.,
New Mexico**

Dear Mr. Klier:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Bold Energy, for the opportunity to provide our professional services. Please find attached our work plan and cost for the above listed site.

If you have any questions and/or need more data in regards to projects please call at any time. My cell phone is 505-631-8314.

Sincerely,

Allen Hodge, REM
VP Operations
Phoenix Environmental LLC

FEB 14 2008
OCD-ARTESIA



Summary/Overview

The Esperanza 24-1 Drilling Pit site should be completed and remediated in accordance with the standards of the NMOCD. It is our understanding that any potential contamination from the site was a result of activities associated with the drilling and production of oil and gas.

The potential contaminants of concern are mid to high-level concentrations of drilling mud and cuttings that were left after drilling operations were completed.

The lands primary use is domestic pasture for ranching and the production of oil and gas.

The ground water depth data available for this area showed the depth to ground water to be in the 95' range BGS.

Pursuant to the standards of the NMOCD, the clean up level for this site will be at <1,000ppm of TPH, <50ppm for BTEX and Chlorides less than <250ppm.

The following scope of work was based on data from our site visit and the requirements of the NMOCD for site clean up.

Scope of Work for Entombment of Impacted Soils

NOTE: Phoenix, for the purpose of this work plan, will estimate that there is approximately 1,500cyds of impacted cuttings and drilling mud at the site that needs to be addressed for site closure.

NOTE: Bold Energy, LP has approval from the landowner to move the contents of the drilling pit at the Esperanza 24-1 to the next location over to the east, the GoPoGo # 2 and would ask for the same approval from the NMOCD.

1. First Phoenix will call One-Call for line spot clearance before any excavation at the site is started.
2. Phoenix will mobilize to the site located in the area west of Carlsbad, NM equipment and personnel necessary to start and complete the site remediation as required, getting the site back into compliance.
3. First the site will be cleared of brush and debris and a staging area set up for site control and safety.



4. Phoenix will move the contents of the drilling pit at the Esperanza24-1 to the GoPoGo # 2 and stockpile the impacted material while the deep bury tomb is being excavated.
5. The deep bury tomb will be excavated at the GoPoGo # 2 to hold the contents of the drilling pit from the Esperanza 24-1. The size of the tomb will need to be 130x30x20 and will yield an estimated 2,889cyds and will hold an estimated 1,800cyds of impacted material while leaving the top of the tomb three feet below grade.
6. Once the tomb area has been excavated it will be lined with 20mil HDPE bottom and a 20mil sewn on top above the impacted soils before backfilling.
7. Impacted soils at the site will then be transported and placed in the lined tomb area until the top of the impacted soils are at a minimum of three feet below grade.
8. Phoenix will field screen the site during the excavation and once the TPH and CL has dropped below clean up requirements final samples will be taken and sent to a third party lab for analysis.
9. Once all of the remediation criteria have been met for site closure and compliance, the site will be backfilled with clean material from the site. The site will be contoured with a slight crown to prevent the ponding of any water and reseeded.
10. Once all of the closure criteria have been met, a final closure report will be prepared by Phoenix. This report will include a summary of remediation operations, findings on-site and lab analysis, site maps and project photos.

If you have any questions and/or need more data in regards to this project please call 505-631-8314 at any time.

Sincerely,

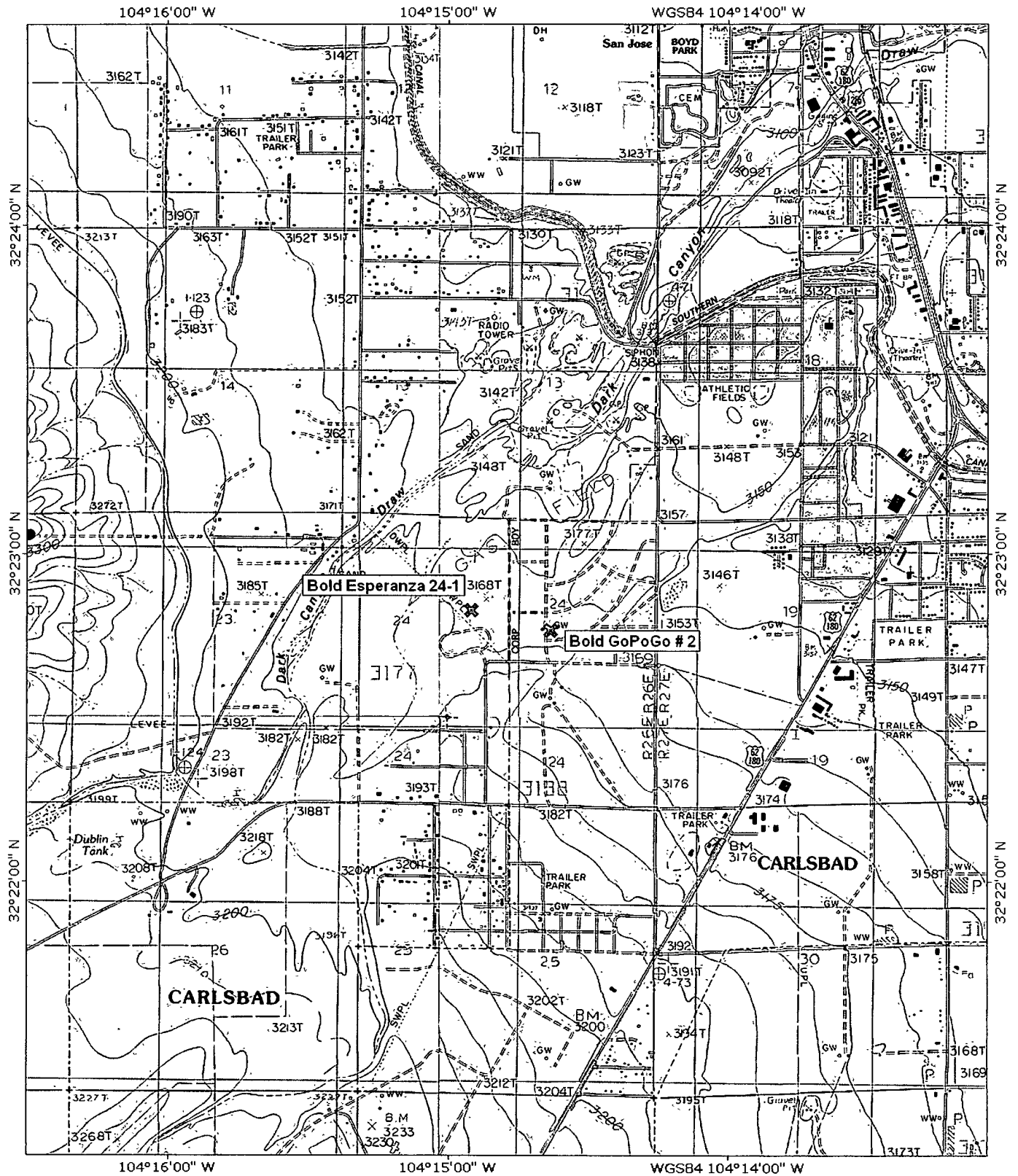


Allen Hodge, REM
VP Operations
Phoenix Environmental LLC



This topographic map of Carlsbad, New Mexico, features a coordinate grid with longitude from 104°20'00" W to 104°10'00" W and latitude from 32°17'00" N to 32°27'00" N. The map shows the Pecos River flowing through the city, with several draws (creeks) including Happy Valley Draw, Cavern City Draw, and Southern Draw. Key landmarks include the State Park, Cavern City Air Terminal, and the town of Carlsbad. Two specific locations are highlighted with black boxes and labels: "Bold Esperanza 24-1" and "Bold GoPoGo #2". The map also shows various roads, including Highway 239 and Highway 216, and a scale bar indicating distances in miles and kilometers. The map was created with TOPO! software in 2003.

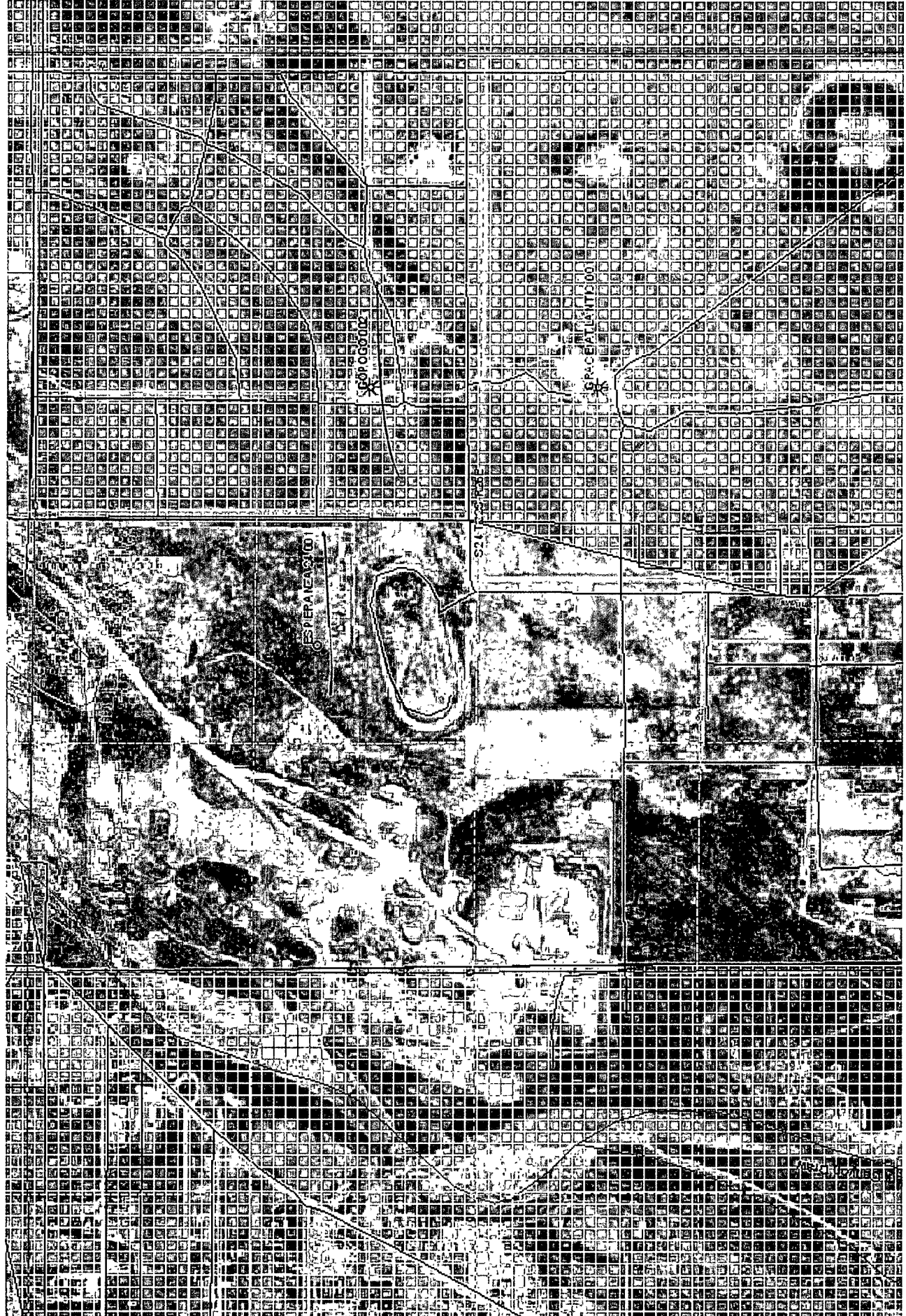
TOPOI map printed on 02/04/08 from "Untitled.topo"



TN MN
8 1/2°

0 1000 FEET 0 500 1000 METERS
Map created with TOPOI® ©2003 National Geographic (www.nationalgeographic.com/topo)

RBDMS Map



Bold Energy Proposal to move pit contents from Esperanza 24-1 to GoPoGo 2

mlb

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