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



Form C-144 June 24, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or REVISED - ORIGINAL Proposed Alternative Method Permit or Closure Plan Application

	ystem, below-grade tank, or proposed alternative method system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per in	ndividual pit, closed-loop system, below-grade tank or alternative request
	ability should operations result in pollution of surface water, ground water or the ply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: McKay Oil Corporation	OGRID #: <u>14424</u>
Address: P. O. Box 2014, Roswell, NM 88201	
Facility or well name: SNAKEWEED B FEDERAL #1	
API Number: <u>30-005-64002</u>	OCD Permit Number:
U/L or Qtr/Qtr K Section 18 Township 6S	
Center of Proposed Design: 1980' FSL & 2080' FWL, NE'4SW'4	
Surface Owner: ⊠ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian	Allotment
☑ Pit: Subsection F or G of 19.15.17.11 NMAC	Closed-loop System: Subsection H of 19.15.17.11 NMAC
Temporary: ⊠ Drilling ☐ Workover	Drying Pad Tanks Haul-off Bins Other
☐ Permanent ☐ Emergency ☐ Cavitation ☐ Steel Pit	☐ Lined ☐. Unlined
☑ Lined ☐ Unlined	Liner type: Thicknessmil
Liner type: Thickness <u>20</u> mil ⊠ LLDPE ☐ HDPE ☐ PVC	☐ Other
☐ Other <u>geo-membrane</u>	Seams: Welded Factory Other
Seams: Welded Factory Other	Volume:bblyd³
Volume: <u>2,565</u> bbl Dimensions: L <u>60'</u> x W <u>40'</u> x D <u>8'</u>	Dimensions: Length x Width
Below-grade tank: Subsection I of 19.15.17.11 NMAC	Fencing: Subsection D of 19.15.17.11 NMAC
Volume:bbl	☐ Chain link, six feet in height, two strands of barbed wire at top
Type of fluid:	☐ Four foot height, four strands of barbed wire evenly spaced between one and
Tank Construction material:	four feet
Secondary containment with leak detection	Netting: Subsection E of 19.15.17.11 NMAC
☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Screen Netting Other_
☐ Visible sidewalls and liner	
☐ Visible sidewalls only	Signs: Subsection C of 19.15.17.11 NMAC
☐ Other	☐ 12'x24', 2' lettering, providing Operator's name, site location, and
Liner type: Thicknessmil HDPE PVC	emergency telephone numbers
Other	☐ Signed in compliance with 19.15.3.103 NMAC
Alternative Method:	Administrative Approvals and Exceptions:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.
of approval.	Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

SNAKEWEED B FEDERAL #1 1980' FSL & 2080' FWL, NE'/SW 1/4, Unit K, SEC18, T6S, R23E API: 30-005-64002

McKay Oil Corporation P. O. Box 2014 Roswell, NM 88202 (575) 623-4735

PIT SITING REQUIREMENTS (19.15.17.10)

Siting Requirements

See attachments - applicable to this permit request.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.	
 a. Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells 	☐ Yes ⊠ No
 b. Ground water is between 50 and 100 feet below the bottom of the buried waste NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells 	☐ Yes ⊠ No
 c. Ground water is more than 100 feet below the bottom of the buried waste. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells 	⊠ Yes □ No
 d. Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site 	☐ Yes ⊠ No
 e. Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	☐ Yes ⊠ No
f. Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
 g. Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality 	☐ Yes ☐ No ☑ NA
 h. Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site 	☐ Yes ⊠ No
 i. Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division 	☐ Yes ⊠ No
 j. Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ⊠ No
k. Within a 100-year floodplain FEMA map	☐ Yes ⊠ No

Siting Criteria'(regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 N Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the d attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.	ocuments are
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
☐ Previously Approved Design (attach copy of design) API Number:30-005-64002 or Permit Number:	
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the diattached. Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	19.15.17.9
Previously Approved Design (attach copy of design) API Number:	

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC	
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the o	locuments are
attached. ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC ☐ Climatological Factors Assessment ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC	
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC	
Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan	
Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan	
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
Proposed Closure: 19.15.17.13 NMAC	T Atom of
Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank Closed-loop System Proposed Closure Method: Waste Excavation and Removal] Alternative
 ☐ Waste Removal (Closed-loop systems only) ☐ On-site Closure Method (Only for temporary pits and closed-loop systems) ☐ In-place Burial ☐ On-site Trench Burial 	
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for co	nsideration)
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes ☐ NoNA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☑ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☑ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No

losure plan. Please indicate, by a check mark in the box, that the documents are attached.
Protocols and Procedures - based upon the appropriate requirements of 19.15.17 13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC
Vaste Removal Closure For Closed-loop Systems That Utilize Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility
Principal facilities for the disposal of liquids, drilling fluids and drill cuttings. Disposal Facility Name: Disposal Facility Permit Number:
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate
y a check mark in the box, that the documents are attached.
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
 ✓ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC ✓ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
 ☑ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) ☑ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC
Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Vame (Print):Carol Shanks Title:Production Analyst
ignature:
-mail address:carol@mckayoil.com Telephone:(575) 623-4735
OCD Approval: Deprint Apply as Curculaing closure plan Closure plan (only)
OCD Representative Signatural Approval Date: 7-18-08
Telephone:(575) 623-4735
Citle: OCD Permit Number: 0.208/23 Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Completion Date:
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Closure Method:
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check thank in the box, that the documents are attached. Proof of Closure Notice
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable)
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check nark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check wark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check thank in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check thank in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check thank in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Completion Date:
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Completion Date: Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check tark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927 1983
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check tark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927 1983
Closure Report (required within 60 days of closure completion): Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check tark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan On-Site Closure Notice Proof of Each Notice (if applicable) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927 1983 Departor Closure Certification: hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and elief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

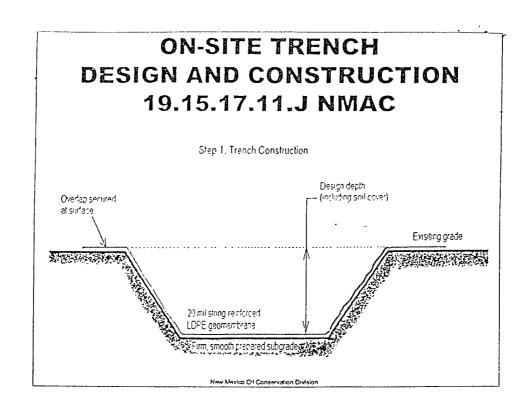
SNAKEWEED B FEDERAL #1 1980' FSL & 2080' FWL, NE'\(\frac{1}{2}\)SW'\(\frac{1}{2}\), Unit K, SEC18, T6S, R23E API: 30-005-64002

McKay Oil Corporation P. O. Box 2014 Roswell, NM 88202

PIT DESIGN AND CONSTRUCTION SPECIFICATIONS (19.15.17.11)

General Specifications

- 1. Any topsoil, which can sustain plant vegetation, will be bladed and piled for future rehabilitation.
- 2. The location slopes very slightly to the east and southeast. Ground will be excavated no steeper than 2.1 slope.
- 3. The 40' X 60' X 8' pit shall be constructed and maintained so that runoff water from outside the location is not allowed to enter the pit. The berms surrounding the entire perimeter of the pit shall extend a minimum of two (2) feet above ground level. At no time will standing fluids in the pit be allowed to rise above ground level.
- 4. Pit will be properly constructed on firm unyielding base, free of large rocks, debris and sharp edges to support all liquids and prevent tears.
- 5. A 20 MIL, low linear density polyethylene (LLDPE), string-reinforced liner, with factory-welded seams will be placed on excavated ground bed by qualified a qualified backhoe service. Liner will be large enough to reduce stress-strain on the liner.
- 6. Anchor trench will be 18" deep and all edges anchored securely.
- 7. A four foot high, four-stranded barbed wire fence, evenly spaced between 4', will be erected around 3 sides on three (3) sides during drilling operations. The fourth side shall be fenced immediately upon rig release.
- 8. A well sign as been placed at entrance of facility, thus Operator is exempt from placing an additional sign on location, per Rule 103, 19.15.3.103, NMAC.



،ن

SNAKEWEED B FEDERAL #1 1980' FSL & 2080' FWL, NE¼SW¼, Unit K, SEC18, T6S, R23E API: 30-005-64002

McKay Oil Corporation P. O. Box 2014 Roswell, NM 88202

PIT OPERATING AND MAINTENANCE PLAN (19.15.17.12)

General Specifications

- 1. Thru the end of drilling operations, fluid contents will be monitored and reported daily on drilling reports, submitted and maintained in Operator's Office.
- 2. At least two feet of freeboard will be maintained for pit.
- 3. Only fluids generated during drilling process will be discharged into pit.
- 4. Pit liner will be inspected daily for tears and/or leaks and for pit liner's integrity.
- 5. Division office will be notified within 48 hours if damage is discovered and liner will be repaired.
- 6. Free liquids will be removed from pit within 30 days from the date rig is released.

SNAKEWEED B FEDERAL #1 1980' FSL & 2080' FWL, NE'4SW'4, Unit K, SEC18, T6S, R23E API: 30-005-64002

McKay Oil Corporation P. O. Box 2014 Roswell, NM 88202 (575) 623-4735

PIT CLOSURE PLAN (19.15.17.13)

Onsite Trench burial Closure Method

- 1. Operator will remove all liquid contents in 40' X 60' pit and allow to the bottom of pit to dry.
- 2. Dig trench 2 (west side of trench 1 pit area) big enough to put all of the cuttings in. Leave enough room for 4' backfill material. (NOTE: Trench size depends on the amount of cuttings, rock formations, surrounding terrain and mud solidity.)
- 3. Line trench 2 with 20 MIL liner, and in accordance with the design and construction requirements specified in Subsection J of 19.15.17.11 NMAC.
- 4. Fill trench 2 with cuttings, original pit liner and any contaminated soil.
- 5. Solidify the contents to a bearing capacity sufficient to support the temporary pit's final cover of the trench burial. Operator shall not exceed the 3:1 mixing ratio (soil or other material to contents).
- 6. Collect *soil samples (see Exhibit A) from inside trench 1 area consisting of a five-point, composite soil sample. Collect individual grab samples from any area that is wet, discolored or showing other evidence of a release.
- 7. Cap trench 2 with 20 MIL liner.
- 8. Backfill trench 1 area with 4' of topsoil.
- 9. Backfill trench 2 area with 4' of topsoil, re-contour where applicable to conform to original topography of the area.
- 10. Place steel marker at the center of on-site burial. Marker shall be 4" in diameter, cemented 3' beneath ground and extending 4' above ground level. Sign engraved with: Operator, Lease, Unit letter, Section, Township and range.
- 11. File deed with Chaves County Clerk identifying exact location of on-site burial.
- 12. Seed entire pit area per BLM specifications.

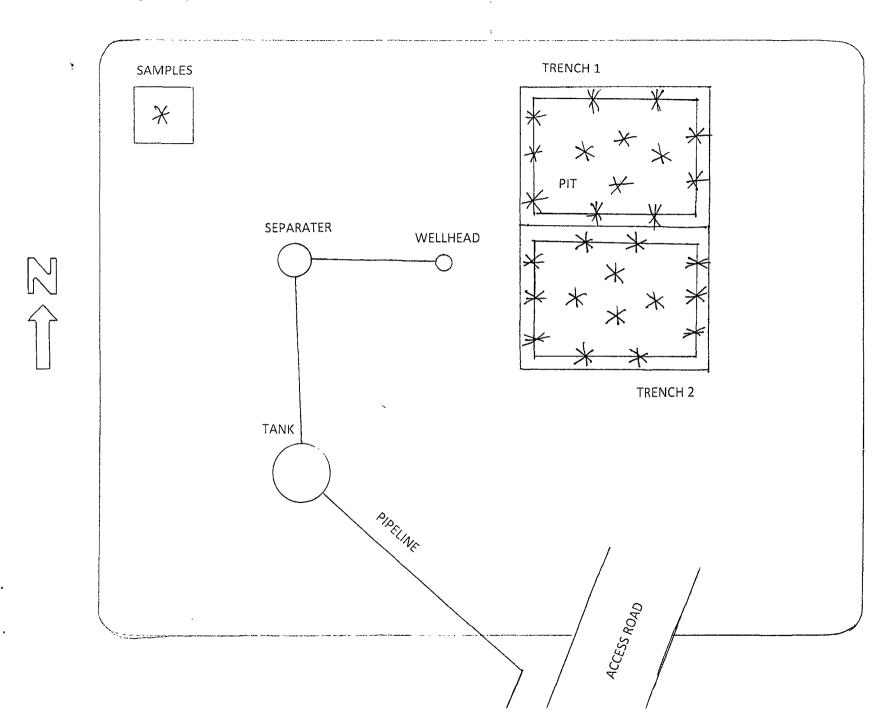
Quality Control

- 1. *Soil samples will be collected per EPA SWA-846 protocol. Samples will be kept in sterile sample-dedicated containers and homogenized with a trowel. After sample containers are filled, they will be immediately sealed, and processed for shipment to the Cardinal Laboratory in Hobbs, NM for TPH and Chloride testing. TPH not to exceed 2.500 mg. Chlorides not to exceed 250mg. Cardinal Lab will prepare an analytical data report of the soil.
- 2. Cardinal Lab will report back to McKay Oil, results from soil samples.
- 3. Operator to submit Form C-141, with Analytical Data Report, to OCD.

Cardinal Laboratories (Soil Analysis)

101 E. Marland Hobbs, NM 88240 Contact: Larry Bailey (575) 393-2326 (or) 800-588-5227

Talon, LPE (Soil Sampler) 318 E. Taylor Hobbs, NM 88240 Contact: Shelly Tucker (575) 706-7234



SNAKEWEED B FEDERAL #1 1980' FSL & 2080' FWL, NE1/4SW1/4, Unit K, SEC18, T6S, R23E API: 30-005-64002

McKay Oil Corporation P. O. Box 2014 Roswell, NM 88202 (575) 623-4735

PIT CLOSURE METHOD (19.15.17.13) - ALTERNATE PLAN

Waste Excavation and Removal

- 1. Operator will remove all liquid contents in 40' X 60' pit and allow the bottom of pit to dry.
- 2. Pile cuttings and original pit liner in Roll-off Box on west side of pit area.
- 3. Collect *soil samples (see Exhibit A) from inside trench 1 area consisting of a five-point, composite soil sample. Collect individual grab samples from any area that is wet, discolored or showing other evidence of a release.
- 4. Haul off drill cuttings, liquid contents and any contaminated soil in Roll-off Box to *Gandy Marley Landfill.
- 5. Backfill trench 1 area with 4' of topsoil.
- 6. Re-contour where applicable to conform to original topography of the area.
- 7. Seed entire pit area per BLM specifications.

Quality Control

- 1. *Soil samples will be collected per EPA SWA-846 protocol. Samples will be kept in sterile samplededicated containers and homogenized with a trowel. After sample containers are filled, they will be immediately sealed, and processed for shipment to the Cardinal Laboratory in Hobbs, NM for benzene and chloride analytical testing. Cardinal Lab will prepare an analytical data report of the soil.
- 2. Cardinal Lab will report back to McKay Oil, results from soil samples.
- Operator to submit Form C-141, with Analytical Data Report, to OCD.

Cardinal Laboratories (Soil Analysis)

101 E. Marland Hobbs, NM 88240 Contact: Larry Bailey

(575) 393-2326 (or) 800-588-5227

Talon, LPE (Soil Sampler)

318 E. Taylor Hobbs, NM 88240 Contact: Shelly Tucker

(575) 706-7234

Gandy Marley (Waste Disposal) PERMIT NO: NM-711-1-0020 Mile Marker 196, US 380 E Roswell, NM 88201 (575) 626-6513



Application for Temporary Pit (C144) with Attachments



To: OCD District II 1301 W Grand Avenue, Artesia, NM 88210

MCKAY OIL CORPORATION - SNAKEWEED "B" FED #1 2080' FWL & 1980' FSL, UNIT K, SEC18, T6S, R23E API: 30-005-64002

JUL 23 2008 OCD-ARTESIA

McKay Oil proposes to air drill the well and open hole test the ABO formation. Fresh water is to be used to pump the cementing plug down. The water will later be displaced with air before drilling out with air and mist for an open-hole completion.

The following attachments are submitted to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the Corrected at description

Remail Cleante Plan

String Requirement heckhat surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

- 1. C-144 Permit Application
- 2. Design and Construction Specifications
- 3. Operating and Maintenance Plan
- 4. Closure Plan
- 5. Closure Plan Alternate Method
- 6. Previously Approved Design
- 7. Proof of Surface Owner Notice
- 8. Siting Requirements
 - a. Ground Water less than 50' below bottom of buried waste
 - Ground Water between 50' & 100' below bottom of buried waste
 - Ground Water more than 100' below bottom of buried waste
 - Within 300' of continuously flowing watercourse, or 200' of other significant lakebed, sinkhole or playa lake.
 - Within 300' from a permanent residence, school, hospital, institution, or church.
 - Within 500' horizontally of private, domestic fresh water well or spring, or within 1000' horizontally of any other fresh water well
 - Within incorporated municipal boundaries of fresh water well field covered under municipal ordinance.
 - Within 500' of a wetland
 - Within the area overlying a subsurface mine.
 - Within an unstable area. j.
 - Within a 100 yr. floodplain.
- 9. Maps