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

Pit, Closed-Loop System, Below-Grade Tank, or

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

For permanent pits and exceptions submit to

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

Proposed Alternative Method Perint or Closure Plan Application							
Type of action:  Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method  Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method  Modification to an existing permit  Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method							
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request  Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.							
1. Operator:McElvain Oil & Gas Properties, IncOGRID #:22044							
Address:1050 17 <sup>th</sup> Street , Suite 1800, Denver, CO 80265							
Facility or well name: _DEWEY 2S							
API Number:        30-045-34483							
U/L or Qtr/Qtr _ Section19Township30NRange13WCounty:SAN JUAN							
Center of Proposed Design: Latitude36.7937 N Longitude108.24294 W NAD: ⊠1927 ☐ 1983							
Surface Owner: Tederal State Private Tribal Trust or Indian Allotment							
2.							
Pit: Subsection F or G of 19.15.17.11 NMAC							
Temporary:  Drilling  Workover							
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A							
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other							
☐ String-Reinforced							
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D							
3.							
Closed-loop System: Subsection H of 19.15.17.11 NMAC							
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)							
Dryling Rod Above Ground Steel Tonks Above Ground Steel Tonks Above Ground Steel Tonks							
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other							
Liner Seams:   Welded   Factory   Other							
O ST COME 3							
Volume: _95bbl Type of fluid:Water							
Subsection I of 19.15.17.11 NMAC   Volume:95							
Tank Construction material							
☐ Visible sidewalls and liner ☑ Visible sidewalls only ☐ Other							
Liner type: Thicknessmil							
5.							
Alternative Method:							
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.							

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Alternate. Please specify4' field fence w/top rail					
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)  Screen Netting Other_Expanded Metal  Monthly inspections (If netting or screening is not physically feasible)					
Signs: Subsection C of 19.15.17.11 NMAC  ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  ☐ Signed in compliance with 19.15.3.103 NMAC					
Administrative Approvals and Exceptions:  Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  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 consideration of approval.  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for				
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 accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district pproval.				
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					

Temporary Pits, Emergency Pits, and Below-grade Tanks 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 documents are 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 19.15.17.9 NMAC ☐ 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 (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC ☐ Previously Approved Design (attach copy of design) API Number:
12.
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 documents are attached.  Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - 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 (Please complete Boxes 14 through 18, if applicable) - 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:
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
13.
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 documents 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 <sub>2</sub> 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 Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal 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 consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure 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 G of 19.15.17.13 NMAC

Form C-144 Oil Conservation Division Page 3 of 5

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.						
Disposal Facility Name:	Disposal Facility Permit Number:					
Disposal Facility Name:	Disposal Facility Permit Number:					
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?  Yes (If yes, please provide the information below) No						
Required for impacted areas which will not be used for future service and operations:  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						
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may requi considered an exception which must be submitted to the Santa Fe Environmenta demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	re administrative approval from the appropriate dist Il Bureau office for consideration of approval. Justi	rict office or may be				
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Da	a 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; Da	a 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; Da	ta obtained from nearby wells	☐ Yes ☐ No ☐ NA				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No				
Within 300 feet from a permanent residence, school, hospital, institution, or church Visual inspection (certification) of the proposed site; Aerial photo; Satellit		☐ Yes ☐ No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that les watering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No				
Within incorporated municipal boundaries or within a defined municipal fresh wat adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approx	-	☐ Yes ☐ No				
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site						
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division						
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map	y & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No				
Within a 100-year floodplain FEMA map		☐ Yes ☐ No				
18.   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, by 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/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC   Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 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 I of 19.15.17.13 NMAC   Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC						

Operator Application Certification:  I hereby certify that the information submitted with this application is true, acc	urate and complete to the best of my knowledge and belief
Name (Print): Deborah K Powell	•
Signature: Debot K Paul	Date: 9-5-08
e-mail address:DebbyP@McElvain.com	Telephone:303-893-0933
Title: Deputy Oil & Gas Inspector.	Plan (only) OCD Conditions (see attachment)  Approval Date: 425/2012  OCD Permit Number:
District #3  21.  Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the form until an approved closure plan has been obtained and the complete the section of the section o	to implementing any closure activities and submitting the closure report. the completion of the closure activities. Please do not complete this
22. Closure Method: Waste Excavation and Removal On-Site Closure Method Altern If different from approved plan, please explain.	native Closure Method Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loop System Instructions: Please indentify the facility or facilities for where the liquids, dri two facilities were utilized.	illing fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	
Disposal Facility Name:	
Were the closed-loop system operations and associated activities performed on o  Yes (If yes, please demonstrate compliance to the items below) No	r in areas that will not be used for future service and operations?
Required for impacted areas which will not be used for future service and operated Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	ions:
Closure Report Attachment Checklist: Instructions: Each of the following in mark in the box, that the documents are attached.  Proof of Closure Notice (surface owner and division)  Proof of Deed Notice (required for on-site closure)  Plot Plan (for on-site closures and temporary pits)  Confirmation Sampling Analytical Results (if applicable)  Waste Material Sampling Analytical Results (required for on-site closure)  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	tems must be attached to the closure report. Please indicate, by a check
25.	
Operator Closure Certification:  I hereby certify that the information and attachments submitted with this closure to belief. I also certify that the closure complies with all applicable closure requirem	
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

The second secon

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised October 12, 2005

DISTRICT II 1301 W. Grand Avenue, Artesia, N.M. 88210

> OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

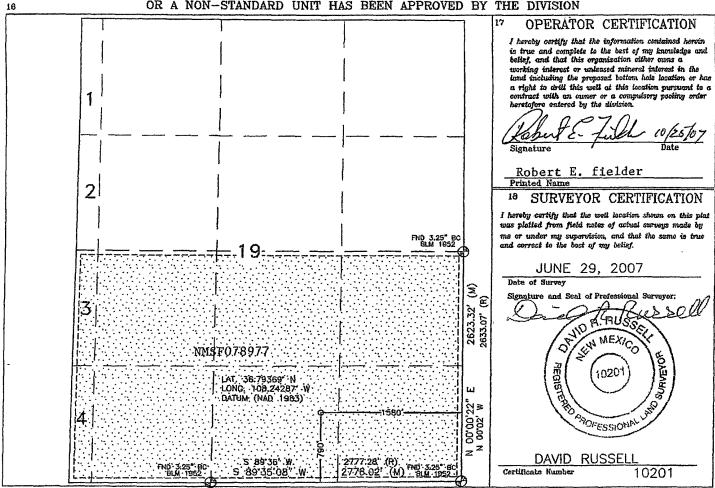
DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 ☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	mber						
*Property Code	<sup>6</sup> Prop	<sup>6</sup> Property Name					
36586	C	DEWEY 2 S					
OGRID No.	<sup>8</sup> Oper	<sup>8</sup> Operator Name					
22044	McELVAIN OIL AND GAS PROPERTIES, INC. 5605'						

10 Surface Location UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County Range SAN JUAN 1580' O 19 30N 13W 790' SOUTH **EAST** <sup>11</sup> Bottom Hole Location If Different From Surface UL or lot no. Section North/South line East/West line Township Lot Idn Feet from the Feet from the Renge County Dedicated Acres 15 Joint or Infill 4 Consolidation Code 15 Order No. **250.**¢ 2<del>51.57</del> Acres - (S/2)

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



### New Mexico Office of the State Engineer POD Reports and Downloads

Sections: 17,18,19,20,29,30 Township: 30N Range: 13W NAD27 X: Y: Zone: Search Radius: Basin: SJ(San Juan) 颾 Number: Suffix: County: Owner Name: (First) Non-Domestic Domestic All (Last) Water Column Report POD / Surface Data Report. Avg Depth to Water Report Clear Form iWATERS Menus Help

#### WATER COLUMN REPORT 08/25/2008

	(quarter	s are	e 1=1	MK.	2=	=NE	3=SW 4=SE)						
	(quarter	s are	e big	gge	est	: to	smallest)			Depth	Depth	Water	(in
POD Number	Tws	Rng	Sec	đ	q	q	Zone	X	Y	Well	Water	${\tt Column}$	
SJ 02943	30N	13W	17	2	1	2				60			
SJ 03029	30N	13W	17	2	2	1				65	45	20	
SJ 03017	30N	13W	17	2	4	2				37	20	17	
SJ 02574	30N	13W	17	2	4	4				26	9	17	
SJ 00262	30N	13W	29	2						38	25	13	
SJ 00868	30N	13W	29	2						49	25	24	
SJ 01040	30N	13W	29	2	2					49	20	29	
SJ 01357	30N	13W	29	2	2					71	56	15	
SJ 03046	30N	13W	29	2	2	4				80	30	50	
SJ 01502	30N	13W	29	4						47	20	27	
SJ 00448	30N	13W	29	4						45	20	25	
SJ 02159	30N	13W	29	4	3					40	15	25	
SJ 00215	30N	13W	29	4	3					55	35	20	
SJ 02754	30N	13W	29	4	4	4				65	65		
SJ 00467	30N	13W	30	4	4					36	21	15	

Record Count: 15

### New Mexico Office of the State Engineer POD Reports and Downloads

Township: 30N Range: 14W Sections: 13,24,25 NAD27 X: Y: Zone: Search Radius: 翽 Basin: SJ(San Juan) Suffix: County: Number: Non-Domestic Domestic All Owner Name: (First) (Last) POD / Surface Data Report: Water Column Report Avg Depth to Water Report, Clear Form iWATERS, Menu. Help

WATER COLUMN REPORT 08/25/2008

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Tws Rng Sec q q q Zone X

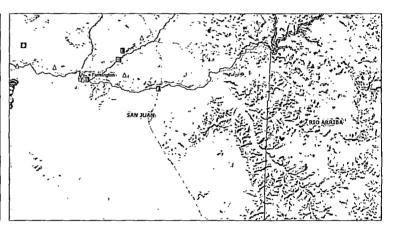
Depth Depth Water (in Well Water Column

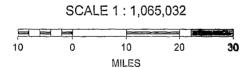
POD Number

No Records found, try again

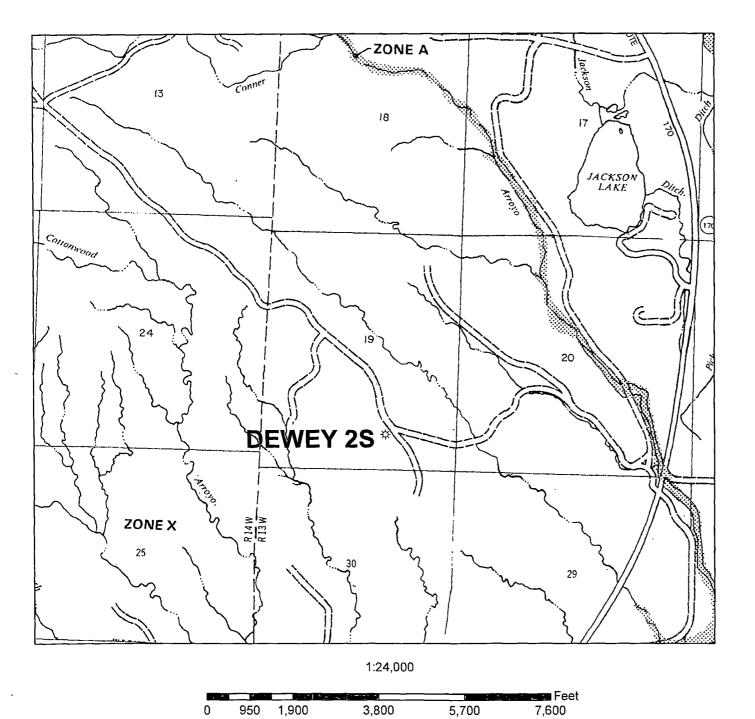
### San Juan Mines, Mills And Quarries Web Map

Mines, Mills & Quarries Commodity Groups						
Δ	Aggregate & Stone Mines					
<b>♦</b>	Coal Mines					
*	Industrial Minerals Mines					
Ŷ	Industrial Minerals Mills					
Ø	Metal Mines and Mill Concentrate					
8	Potash Mines & Refineries					
2	Smelters & Refinery Ops.					
_ *	Uranium Minae					

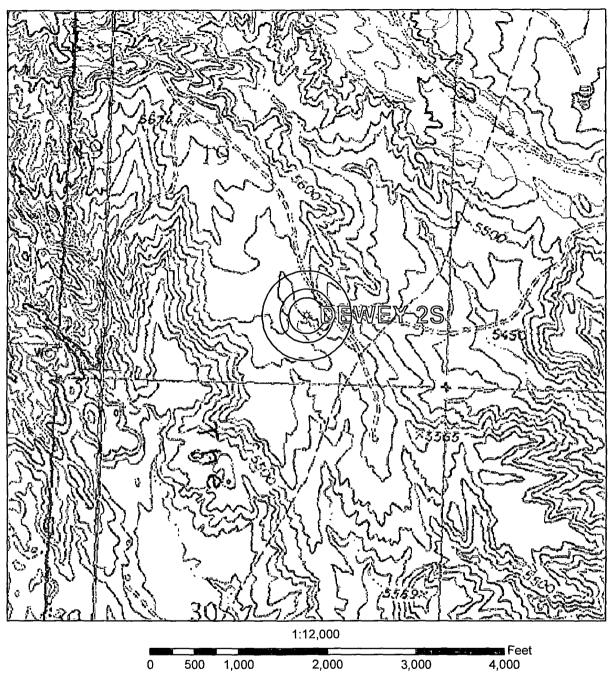








RATIONAL FLOOD INSURANCE PROGRAM FIRM FLOOD INSURANCE RATE MAP SAN JUAN COUNTY, **NEW MEXICO** UNINCORPORATED AREAS PANEL 325 OF 1450 ISEE MAP INDEX FOR PANELS NOT PRINTED) PAREN LOCATION COMMUNITY-PANEL NUMBER 350064 0325 B EFFECTIVE DATE: **AUGUST 4, 1988** Federal Emergency Management Agency



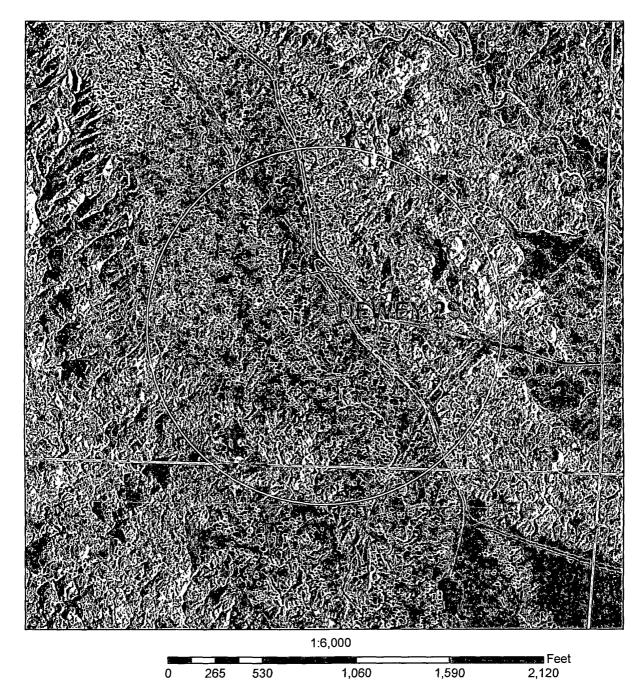
### Legend

McElvain Well & 200' Radius

McElvain Well & 300' Radius

McElvain Well & 500' Radius

Source: USGS 1:24,000 Scale Topographic Map Series San Juan Basin New Mexico Township 30N 13W Section 19



#### Legend

McElvain Well & 300' Radius

McElvain Well & 1000' Radius

Aerial Source: NM Resource Geographic Information System Program made available by the Univeristy of New Mexico and the State of New Mexico 2005-2006 vintage Digital Orthophoto Quarter-Quadrangles were derived from the New Mexico Statewide Orthophotography Project. Source imagery flown at 35,000' above average ground.

San Juan Basin New Mexico Township 30N 13W Section 19

#### **Siting Criteria Compliance Demonstrations**

The Dewey #2S well is not located in an unstable area. The location is not over a mine and is not on the side of a hill. The location of the excavated pit material is not located within 300' of any continuously flowing watercourse or 200' from any other water course.

# McElvain Oil & Gas Properties, Inc. San Juan Basin Below Grade Tank Design and Construction

In accordance with Rule 19.15.17 NMAC the following describes the as-built construction of the Below Grade Tank on the McElvain Oil & Gas Properties, Inc (MOG) Dewey #2S well located in the SWSE of Sec 19, T30N, 13W.

#### As-built Installation:

- 1. The existing tank pit consists of an approximate 15 foot by 5 foot metal shored hole into which a 12 foot by 5 foot double bottom, single wall 95 bbl tank with leak detection is installed.
- 2. The tank walls are open for visual inspection to identify the occurrence of leaks.
- 3. There is an expanded metal covering on the top of the below grade tank.
- 4. The tank pit is surrounded by a 30ft X 30ft X 2ft berm that is contained within a 50 ft X 140 ft berm that encloses the tank battery to prevent overflow or surface water run-on.
- 5. A general location sign is displayed on site.
- 6. The pit tank is fenced with 4 foot field fence with a top rail.

# McElvain Oil & Gas Properties, Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 NMAC the following describes the below grade tank operation and maintenance plan for the McElvain Oil & Gas Properties, Inc (MOG) on the Dewey #2S well located in the SWSE of Sec 19, T30N, 13W.

#### General Plan:

- 1. MOG shall operate and maintain the below grade tank to contain liquids and solids and prevent contamination of fresh water to protect the public health and environment.
- 2. MOG shall not allow a below grade tank to overflow or allow surface water run-on to enter the below grade tank.
- 3. MOG shall continuously remove any visible or measurable layer of oil from the fluid surface of a below grade tank in an effort to prevent significant accumulation of oil over time.
- 4. MOG shall inspect the below grade tank monthly and maintain a written record of each inspection for five years.
- 5. MOG shall maintain adequate freeboard to prevent overtopping of the below grade tank.

## McElvain Oil & Gas Properties, Inc. San Juan Basin Closure Plan

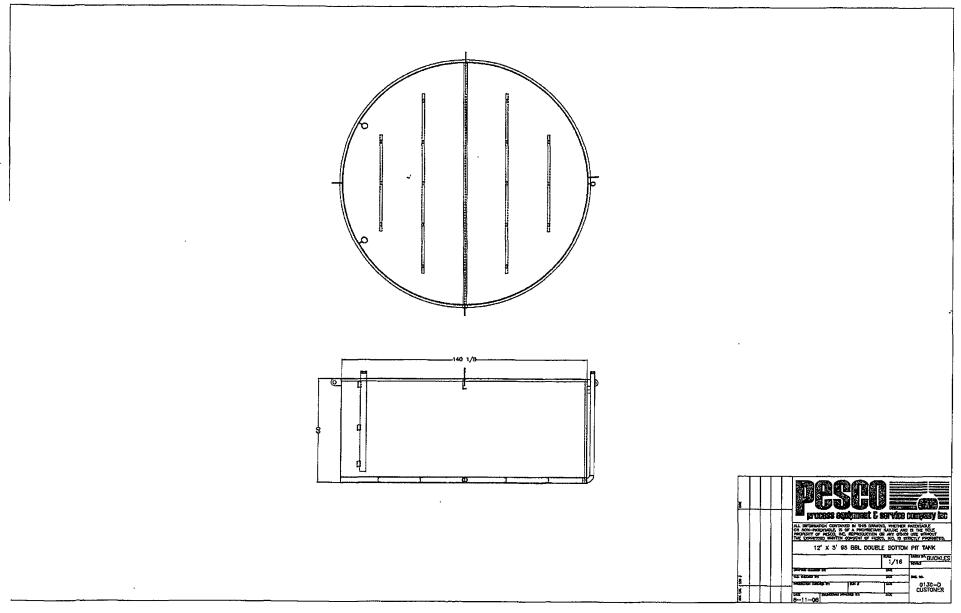
In accordance with Rule 19.15.17.1 NMAC the following procedure describes the closure plan for the McElvain Oil & Gas Properties, Inc (MOG) below grade tank on the Dewey #2S well located in the SWSE of Sec 19, T30N, 13W.

#### **Closure Requirements:**

- 1. MOG shall close the below grade tank within the time periods provided in 19.15.17.13 NMAC or by an earlier date that the division requires because of imminent danger to fresh water, public health, or the environment.
- 2. MOG shall close an existing below grade tank that does not meet the requirements of Paragraph (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008 if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. MOG shall close a permitted below grade tank within 60 days of cessation of the below ground tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on C-144.
- 4. All liquids will be removed from the temporary permit prior to closure and the liquids disposed of in a division approved facility.
- 5. MOG shall remove the below grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.
- 6. MOG will remove any on-site equipment associated with the below grade tank unless the equipment is required for some other purpose.
- 7. MOG shall test the soils beneath the below grade tank to determine whether a release has occurred. MOG shall collect a five point composite sample and individual grab samples from any area that is wet, discolored, or showing other evidence of a release. The samples will be analyzed for BTEX, TPH, and chlorides to demonstrate that the benzene concentration as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration as determined by EPA method 418.1 or other EPA method that the division approves does not exceed 100 mg/kg; and the chloride concentration as determined by EPA

- method 300.1 or other EPA method that the division approves does not exceed 250 mg/kg or the background concentration, whichever is greater. MOG shall notify the division of its results on form C-141.
- 8. If MOG or the division determines that a release has occurred, then MOG shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC as appropriate.
- 9. If contamination is confirmed by field sampling. MOG will follow the Guidelines For Remediation Of Leaks, Spills, and Releases NMOCD August 1993 when remediating identified contaminants.
- 10. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, then MOG shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; re-contour, and re-vegetate the site.
- 11. Notice of closure will be given to the Aztec Division office between 72 hours and one week of closure via email or verbally. The notification of closure will include the following:
  - · Operator's name
  - · Location by Unit Letter, Section Township, and Range.
  - · Well name and API number
- 12. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the blow grade tank. The closure report will be filed on C-144 and incorporate the following:
  - · Details on capping and covering where applicable
  - · Inspection reports
  - · Sampling results
- 13. The site will be re-contoured to match the surrounding area. Natural drainages will be unimpeded and erosion control will be utilized where necessary.
- 14. MOG shall seed the disturbed areas the first growing season with a division approved seed mixture after pit closure. Seeding will be accomplished by drilling on the contour whenever possible or by other division approved methods. Repeat seeding or planting will be continued until successful vegetative growth occurs.
- 15. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the thickness of the topsoil native to the area, whichever is greater.

16. The surface owner shall be notified of MOG's closing of the below grade tank as per the approved closure plan using certified mail with return receipt requested.



Dewey #25

McElvain Oil & Gas Properties, Inc.

#### Hydrogeological Report For

#### Dewey #2S

#### Surface Formation:

Kirtland Formation

#### Regional and Local Geology

The late Cretaceous Kirtland Formation is of Mesozoic age and represents an upper coastal or alluvial-plain deposit landward of the Fruitland coal swamp environment. The Kirtland Formation conformably overlies the Fruitland Formation, and in most of the San Juan Basin is unconformably overlain by the Tertiary Ojo Alamo. In this area, where buried, the Ojo Alamo interfingers with the Tertiary Nacimiento; therefore, both the Ojo Alamo and Nacimiento come in contact with the Kirtland Formation (Baltz, 1967). The Kirtland Formation outcrops along almost the entire inner margin of the San Juan Basin. In the north and east the formation outcrops in a thin band, but in a much wider swath to the south and west.

Fassett & Hinds (1971) divided the Kirtland into three members: the lower shale member, the Farmington Sandstone Member, and the upper shale member. The lower shale is a continental flood plain deposit consisting predominantly of shale containing a few thin interbeds of siltstone and sandstone. The Farmington and upper shale are composed of a series of interbedded, small, channel sandstone beds and flood plain shales. In this area, local conglomeratic beds and shales occur in the Farmington and upper shale. Little carbonaceous shale or coal is present in the Kirtland, distinguishing it from the underlying Fruitland Formation which was also deposited in a fluvial environment.

The Farmington Sandstone Member of the Kirtland Formation predominantly contains water but has produced gas and oil from small stratigraphic traps yielding low reserves.

#### **Hydraulic** Properties

In the northwest, west and south the Kirtland is mapped separately from the Fruitland. In the northeast and eastern regions of the San Juan Basin the Kirtland is mapped with the Fruitland in an undivided unit (Fassett and Hinds, 1971). The Kirtland and Fruitland have similar hydrologic properties. Stone et al. (1983) stated the transmissivity of the "Kirtland Shale-Fruitland Formation" to be less than 10  $\rm ft^2/d$  with a specific conductance averaging over 5000  $\mu$ mhos (Stone et al., 1983). The Kirtland and Fruitland Formations are also important because they are the principal "aquifers" disturbed by mining of coal in the Fruitland Formation (Stone et al., 1983).

#### Hydrology

A records search of the NM Office of the State Engineer iWaters database was conducted on a 9-section area centered on the section in which lies the Dewey #2S well location, 30N 13W section 19. In section 17, 7 water wells were located. Average depth of water in these wells is 25', minimum 9'. In section 29, 13 wells were located; average depth of water is 31', minimum 15'. All but one well are domestic/private water wells, the one is commercial. All wells are located no closer than 4500' from the Dewey #2S.

#### Conclusion

Based on topography and iWaters data, water depths in wells are found close to the La Plata River surface elevation. These wells are within 3500' lateral distance of the La Plata River. The Dewey #2S is

located approx. 7,500' from the La Plata River and 200' above the river's elevation. Considering a semi-horizontal water table, water depth at the Dewey #2S location should be at 200'.

#### References

,... e > \*

Baltz, E.H., 1967, Stratigraphy and Regional Tectonic Implications of Part of Upper Cretaceous Rocks, East-Central San Juan Basin, New Mexico, USGS Professional Paper 552, 101p.

Fassett, J.E., and Hinds, J.S., 1971, Geology and Fuel Resources of the Fruitland Formation and Kirtland Shale of the San Juan Basin, New Mexico and Colorado, USGS Professional Paper 676, 76p.

Scholle, P.A., 2003, Geologic Map of New Mexico 1:500,000, NM Bureau of Geology and Mineral Resources, published in cooperation with the USGS, 2 sheets.

Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico, New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6, 70p.

BGT Closure Sampling Required by NMOCD Components Method

Components	Method	Limit
Benzene	EPA SW-846 8021B or 8260B	0.2 mg/Kg
BTEX	EPA SW-846 8021B or 8260B	50 mg/Kg
TPH	EPA SW-846 418.1	100 mg/Kg
Chlorides	EPA 300.1	250 mg/Kg