<u>District I</u> 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

Santa Fe, NM 87505 W

Oil Conservation Division For drilling and production facilities, submit to appropriate NMOCD District Office.

1220 South St. Francis Dr. For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration of Closure Is pit or below-grade tank covered by a general plant? Yes No.X

| Type of action: Registration of a pit or below-grade takty Closelist of a pit of below-grade tank X | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------|
| | | |
| Operator: McElvain Oil & Gas Properties, Inc. Telephone: 505-632-3869 rmail address: pmci@acs-online.net | | |
| Address: _1050 17th Street, Suite 1800 Denver, CO 80265-1801 | | |
| Facility or well name: <u>Hagood No. 3</u> API #: <u>30-045-326</u> | 2668 U/L or Qtr/Qtr I Sec 24 T 30N R 14W | |
| County: San Juan Latitude 36° 47' 46" Longitude 108° 15'17" NAD: 1927 X 1983 | | |
| Surface Owner: Federal X State Private Indian | | |
| <u>Pit</u> | Below-grade tank | |
| Type: Drilling X Production Disposal | Volume:bbl Type of fluid: | |
| Workover ☐ Emergency ☐ | Construction material: | |
| Lined X Unlined | Double-walled, with leak detection? Yes If not, explain why not. | |
| Liner type: SyntheticX Thickness 12 mil Clay | | |
| Pit Volume 2280 bbl | | |
| Depth to ground water (vertical distance from bottom of pit to seasonal | Less than 50 feet | (20 points) |
| high water elevation of ground water.) | 50 feet or more, but less than 100 feet | (10 points) |
| mga water crownson or ground water.) | 100 feet or more | (0 points) X |
| Wellhead protection area: (Less than 200 feet from a private domestic | Yes | (20 points) |
| | No | (0 points) X |
| water source, or less than 1000 feet from all other water sources.) | 1 2000 | |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet | (20 points) |
| | 200 feet or more, but less than 1000 feet | (10 points) |
| | 1000 feet or more | (0 points) X |
| | 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 X offsite I 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 X Yes 🔲 If yes, show depth below ground surfaceft. and attach sample results. | | |
| (5) Attach soil sample results and a diagram of sample locations and excavations. | | |
| Additional Comments: Propose to close the drilling pit on this location using the following closure plan. No discharge to the environment occurred during the drilling of this | | |
| well. Fresh water (<9.5 ppg) was used during the drilling operation. | | |
| 1) All free liquid will be hauled to a commercial disposal facility. 2) All trash will be removed from the pit surface and disposed of in Waste Managements landfill. | | |
| 3) Residual mud solids and cuttings will be buried in place and encapsulated in accordance with Section IV,B.2 of Rule 50. 4) Pit will be filled with soil to a minimum of 6 | | |
| Inches above graded ground level and topsoil placed on top of this bermed area. 5) Pit area will be reclaimed and seeded in accordance with BLM stipulations. | | |
| This plan will be implemented as soon as this plan is approved. | | |
| 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 X, a general permit , or an (attached) alternative OCD-approved plan . | | |
| Date: July 20, 2005 | | |
| Printed Name/Title Robert E. Fielder / Agent Signature Ka But & Tuelde | | |
| 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: 1 1/1 MEFUTY ON & GAS IMPRECTOR, DIST. OR IGUL 20 2000 | | |
| Printed Name/Title | Signature | Date: 2 0 2005 |
| 11-4 | | |