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

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

	ik covered by a "general plan"? Yes No or below-grade tank Closure of a pit or below-grade	
Operator: Koch Exploration Company, LLC. Address: PO Box 489, Aztec, NM 87410 Facility or well name: Gonza County: San Juan Latitude 36°45.0		EL Sec 1_T 29N R 8W
Surface Owner: Federal 🛛 State 🗌 Private 🔲 Indian 🗍		
Pit Type: Drilling ☐ Production ☒ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☒ Liner type: Synthetic ☐ Thicknessmil Clay ☐ Pit VolumeNAbbl Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Below-grade tank Volume: NA bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes If not Less than 50 feet 50 feet or more, but less than 100 feet	NOV 2005 explain why not (20-points) (10 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) Distance to surface water: (horizontal distance to all wetlands, playas,	100 feet or more X Yes No X Less than 200 feet	(0 points) X (20 points) X (20 points) X
irrigation canals, ditches, and perennial and ephemeral watercourses.)	200 feet or more, but less than 1000 feet 1000 feet or more X Ranking Score (Total Points)	(10 points) (0 points) X
If this is a pit closure: (1) Attach a diagram of the facility showing the pit's your are burying in place) onsite offsite If offsite, name of facility: (3) Groundwater encountered: No Yes If yes, show depth below grounds Attach soil sample results and a diagram of sample locations and excavations.	Attach a general description of remedial action taken and surfaceft. and attach sample result.	n including remediation start date and end date.
Additional Comments: Decommissioned Separator Pit. Pit has been backf	illed with clean native and imported soils. Reseeding	will be performed when season and weather
allow.		
I hereby certify that the information above is true and complete to the best of has been/will be constructed or closed according to NMOCD guidelines. Date:	Signature Signature of liability should the contents of	ve OCD-approved plan □. of the pit or tank contaminate ground water or
Approval: OSPUTY OR & GAS INSPECTOR, DIST. 61 Printed Name/Title	Signature Deny For	Date: NOV 2 3 2005



KOCH EXPLORATION COMPANY LLC

RE: Sampling Activities for Pit Closure at the Gonzales 1 Well Location. Unit P, Sec. 1, T 29N, R 8W, Dakota, San Juan County NM. Fed Lease SFO78596. API 3004524487.

On November 4, 2005, SMA mobilized to the unlined separator pit at the Gonzales1 Well Location. The dimensions of the unlined pit were approximately 30 X 30 X 3 feet. SMA collected a five-point composite soil sample from the center and each corner of the pit bottom for field analysis by Photo Ionization Detector (PID). Refusal was met at 6 to 8 inches below grade. A four-point composite soil sample was collected from the sidewalls for field analysis by PID. The pit bottom composite sample showed a PID reading of 0 units and the sidewall composite sample showed a PID reading of 0.2 units. Soil samples for closure were collected for laboratory analysis. Samples were analyzed for Diesel Range Organics (DRO), and Gasoline Range Organics (GRO) by USEPA Method 8015B. Because Field Screening PID readings were less than 100 ppm per NMOCD guideance, BTEX was not analyzed by laboratory methods. The samples were placed on ice and transported to the laboratory by the sampling technician, where Chain of Custody Protocols were followed. The laboratory analysis of the closure samples showed hydrocarbon levels of:

November 4, 2005	PID Units	DRO ppm	GRO ppm	BTEX ppm
4 Point Sidewall	0.2	<25	BDL	NA
5 Point Pit Bottom	0	108	BDL	NA

BDL: Below Detection Limits

NA: Not Analyzed

No remedial excavation is required based on laboratory analysis of soil samples. The location is in a non-vulnerable area and requires Total Petroleum Hydrocarbons (TPH= DRO+GRO) closure levels of 5,000 ppm or less. Koch Exploration Company LLC, requests closure for this pit. Groundwater was not encountered.

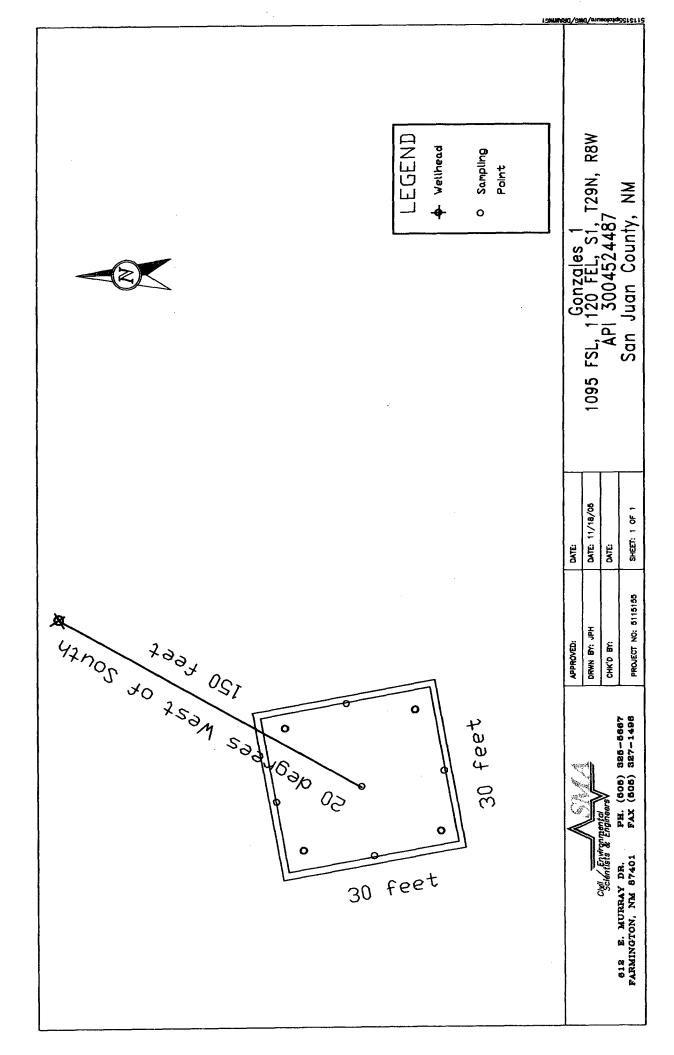
Respectfully submitted,

Don Jøhnson

Field/Operations Manager

Koch Exploration Company LLC

Cc: Ms. Peg Young, KEC Environmental Compliance Manager
Mr. Steve Elingson, KMS Environmental Compliance Director



612 E. Murray Drive Farmington, NM 87499

Off: (505) 327-1072

ANALOTELEAR REPORT



) Ó Ó Da

P.O. Box 3788 Shiprock, NM 87420

ate: 17-Nov-05 Off: (505) 368-4065

Souder, Miller & Associates

Work Order:

0511017

Project:

CLIENT:

Gonzales #1/5115155

Lab ID:

0511017-001A

Client Sample Info: Gonzales #1

Client Sample ID: 4 Pt. Sidewall

Collection Date: 11/4/2005 11:45:00 AM

Matrix: SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
DIESEL RANGE ORGANICS	SW8015B				Analyst: jem	
T/R Hydrocarbons: C10-C28	16	25.0	J	mg/Kg	1	11/15/2005
Surr: o-Terphenyl	85.6	46.8-124		%REC	· 1	11/15/2005
GASOLINE RANGE ORGANICS		SW8015B		(SW50)35A)	Analyst: jem
T/R Hydrocarbons: C6-C10	ND	4.50		mg/Kg	25	11/11/2005
Surr: Trifluorotoluene	110	71.9-125		%REC	25	11/11/2005

Qualifiers:

ND - Not Detected at the Practical Quantitation Limit

J - Analyte detected below Practical Quantitation Limit

B - Analyte detected in the associated Method Blank

H - Parameter exceeded Maximum Allowable Holding Time

S - Spike Recovery outside accepted recovery limits

R - RPD outside accepted precision limits

E - Value above Upper Quantitation Limit - UQL

Page 1 of 2

612 E. Murray Drive Farmington, NM 87499

Off: (505) 327-1072

ANALOYFICAL REPORT



b á Da

P.O. Box 3788 Shiprock, NM 87420

17-Nov-05 Off: (505) 368-4065

CLIENT:

Souder, Miller & Associates

Work Order:

0511017

Project:

Gonzales #1/5115155

Lab ID:

0511017-002A

Client Sample Info: Gonzales #1

Client Sample ID: 5 Pt. Pit Bottom

Collection Date: 11/4/2005 11:40:00 AM

Matrix: SOIL

Parameter	Result	PQL Qual	Units	DF	Date Analyzed
DIESEL RANGE ORGANICS	SW8015B			Analyst: jem	
T/R Hydrocarbons: C10-C28	108	25.0	mg/Kg	1	11/15/2005
Surr: o-Terphenyl	90.4	46.8-124	%REC	1	11/15/2005
GASOLINE RANGE ORGANICS		SW8015B	(SW50	35A)	Analyst: jem
T/R Hydrocarbons: C6-C10	ND	4.50	mg/Kg	25	11/11/2005
Surr: Trifluorotoluene	109	71.9-125	%REC	25	11/11/2005

Qualifiers:

ND - Not Detected at the Practical Quantitation Limit

J - Analyte detected below Practical Quantitation Limit

B - Analyte detected in the associated Method Blank

H - Parameter exceeded Maximum Allowable Holding Time

S - Spike Recovery outside accepted recovery limits

R - RPD outside accepted precision limits

E - Value above Upper Quantitation Limit - UQL -

Page 2 of 2