

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  
July 21, 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.

2551

**Pit, Closed-Loop System, Below-Grade Tank, or  
Proposed Alternative Method Permit 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: <u>McElvain Oil &amp; Gas Properties, Inc.</u> OGRID #: <u>22044</u> Address: <u>1050 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265</u> Facility or well name: <u>CASSIDY IR</u> API Number: <u>30-045-34273</u> OCD Permit Number: <u>12-11-08</u> U/L or Qtr/Qtr <u>H</u> Section <u>19</u> Township <u>29N</u> Range <u>16W</u> County: <u>San Juan</u> Center of Proposed Design: Latitude <u>36 42.773N</u> Longitude <u>108 01.564W</u> NAD: <input checked="" type="checkbox"/> 1927 <input type="checkbox"/> 1983 Surface Owner: <input type="checkbox"/> Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment	
2. <input type="checkbox"/> <b>Pit:</b> Subsection F or G of 19.15.17.11 NMAC Temporary: <input type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> P&A <input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____ <input type="checkbox"/> String-Reinforced Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____	
3. <input type="checkbox"/> <b>Closed-loop System:</b> Subsection H of 19.15.17.11 NMAC Type of Operation: <input type="checkbox"/> P&A <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input type="checkbox"/> Drying Pad <input type="checkbox"/> Above Ground Steel Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____ <input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____ Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____	
4. <input checked="" type="checkbox"/> <b>Below-grade tank:</b> Subsection I of 19.15.17.11 NMAC Volume: <u>95</u> bbl Type of fluid: <u>Water</u> Tank Construction material: <u>Steel</u> <input checked="" type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off <input type="checkbox"/> Visible sidewalls and liner <input checked="" type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____ Liner type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	
5. <input type="checkbox"/> <b>Alternative Method:</b> Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	



6.

**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 specify \_\_\_\_\_

7.

**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)

8.

**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

9.

**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 office for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10.

**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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

11.

**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 and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: \_\_\_\_\_ or Permit 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: \_\_\_\_\_

☐ Previously Approved Operating and Maintenance Plan API Number: \_\_\_\_\_ (Applies only to closed-loop system that use 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

14.

**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)

15.

**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 I of 19.15.17.13 NMAC  
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.

**Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19.15.17.13.D NMAC)

**Instructions:** Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two 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

17.

**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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> 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 19.15.17.11 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

19.

**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.

Name (Print): Deborah K Powell Title: Engineering Tech Supervisor

Signature:  Date: 8/18/2008 RE: 11/10/2008

e-mail address: DebbyP@McElvain.com Telephone: 303-893-0933

20.

**OCD Approval:** ☐ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: **DENIED** Approval Date: \_\_\_\_\_

Title: \_\_\_\_\_ OCD Permit Number: \_\_\_\_\_

21.

**Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17.13 NMAC

*Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.*

☐ Closure Completion Date: \_\_\_\_\_

22.

**Closure Method:**

☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)  
☐ If different from approved plan, please explain.

23.

**Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**

*Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.*

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

*Required for impacted areas which will not be used for future service and operations*

- ☐ Site Reclamation (Photo Documentation)  
☐ Soil Backfilling and Cover Installation  
☐ Re-vegetation Application Rates and Seeding Technique

24.

**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 (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 \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: ☐ 1927 ☐ 1983

25.

**Operator Closure Certification:**

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

RCUD APR 17 '07

OIL CONS. DIV.

DIST. 3

Form C-102

Revised October 12, 2005

## DISTRICT I

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

## DISTRICT II

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

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## DISTRICT III

1000 Rio Brazos Rd., Aztec, N.M. 87410

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-045-34273</b>	<sup>2</sup> Pool Code <b>77200</b>	<sup>3</sup> Pool Name <b>FULCHER KUTZ/PICTURED CLIFFS</b>
<sup>4</sup> Property Code <b>36455</b>	<sup>5</sup> Property Name <b>CASSIDY</b>	<sup>6</sup> Well Number <b>1R</b>
<sup>7</sup> GRID No. <b>22044</b>	<sup>8</sup> Operator Name <b>McELVAIN OIL AND GAS PROPERTIES, INC.</b>	<sup>9</sup> Elevation <b>5488'</b>

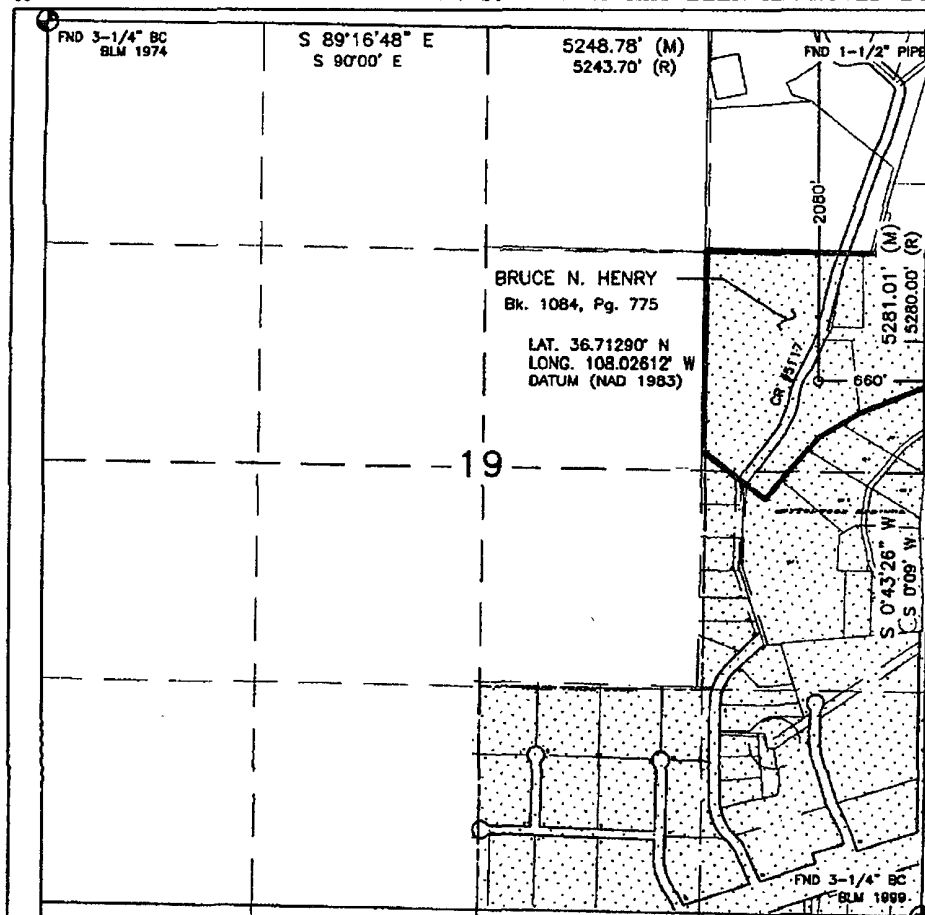
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	19	29N	11W		2080'	NORTH	660'	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>SE/NE, NE/SE &amp; S/SE 159.07 ACRES</b>			<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No. <b>NWU - 39</b>		

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



## 17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner or a compulsory pooling order heretofore entered by the division.

*Robert E. Fielder* 4/16/07  
Signature Date

**Robert E. Fielder**  
Printed Name

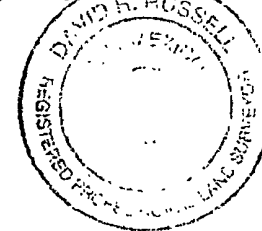
## 18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 22, 2007

Date of Survey

Signature and Seal of Professional Surveyor:

*David R. Russell*

DAVID RUSSELL

Certificate Number

10201

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

Township: 29N Range: 11W Sections: 17,18,19,20,29,30

NAD27 X: Y: Zone: ☐ Search Radius:

County: ☐ Basin: SJ( San Juan) ☐ Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column 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)



POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water (in Column
SJ 02926	29N	11W	17	2	4	3				375	80	295
SJ 03399	29N	11W	17	4	2					100		
SJ 00487	29N	11W	17	4	4					60	6	54
SJ 02868	29N	11W	17	4	4	4				50		
SJ 01641	29N	11W	19	2	2	3				120	55	65
SJ 02026	29N	11W	19	3	1			440000	2077700	27	6	21
SJ 02970	29N	11W	19	4	3	2				100	18	82
SJ 01250	29N	11W	19	4	4					60	20	40
SJ 02869	29N	11W	20	2	2	1				50		
SJ 00583	29N	11W	20	3	3	2				150	30	120
SJ 01355	29N	11W	20	4	4					36	3	33
SJ 03475	29N	11W	29	1	1	3				40	20	20
SJ 00292	29N	11W	29	2	1	4				24	9	15
SJ 01554	29N	11W	29	2	2					35	18	17
SJ 02038	29N	11W	29	4	1					14	4	10
SJ 03298	29N	11W	29	4	1	1				70	6	64
SJ 02023	29N	11W	29	4	2					24	7	17
SJ 02182	29N	11W	29	4	2					27	11	16
SJ 00822	29N	11W	29	4	3					34	15	19
SJ 03421	29N	11W	29	4	4	3				50	28	22
SJ 01391	29N	11W	30	2						40	25	15
SJ 03348	29N	11W	30	2	1	3				60		
SJ 01328	29N	11W	30	2	2					28	15	13
SJ 01260	29N	11W	30	2	2					42	16	26
SJ 01264	29N	11W	30	2	2					27	12	15
SJ 01821	29N	11W	30	2	4					70	6	64
SJ 00875	29N	11W	30	4	1					37	20	17

Record Count: 27

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

Township: 29N Range: 12W Sections: 13,24,25

NAD27 X: Y: Zone:  Search Radius:

County:  Basin: SJ( San Juan)  Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column 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)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water (in) Column
SJ 01597	29N	12W	24	3	2					40	15	25
SJ 02555	29N	12W	24	3	3					21	6	15
SJ 00400	29N	12W	24	3	4					83	35	48
SJ 03735 POD1	29N	12W	24	3	4	1				100	15	85
SJ 03507	29N	12W	24	3	4	1				60		
SJ 03786 POD1	29N	12W	24	3	4	1	265819	2077065		35	11	24
SJ 02082	29N	12W	25	1	1					30	3	27
SJ 00938	29N	12W	25	1	2					80	40	40
SJ 00706	29N	12W	25	1	4					49	20	29
SJ 00652	29N	12W	25	1	4					42	20	22
SJ 01322	29N	12W	25	1	4					42	20	22
SJ 00617	29N	12W	25	1	4	3				47	20	27
SJ 01466	29N	12W	25	2	4					27	14	13
SJ 00570	29N	12W	25	3	1					36	18	18
SJ 03340	29N	12W	25	3	3	3				45	12	33
SJ 03173	29N	12W	25	3	4	2				60	10	50
SJ 03580	29N	12W	25	3	4	4				20	4	16
SJ 00763	29N	12W	25	4	3					60	20	40
SJ 02132	29N	12W	25	4	3	1				40	12	28

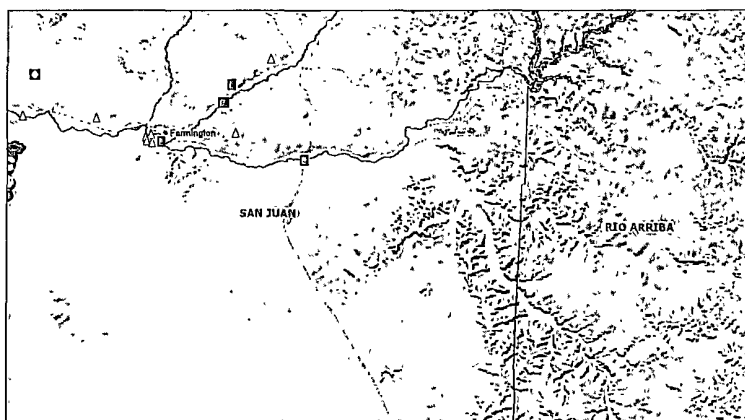
Record Count: 19



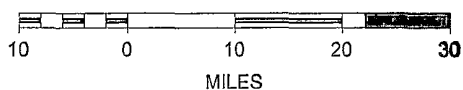
# San Juan Mines, Mills And Quarries Web Map

## Mines, Mills & Quarries Commodity Groups

-  Aggregate & Stone Mines
-  Coal Mines
-  Industrial Minerals Mines
-  Industrial Minerals Mills
-  Metal Mines and Mill Concentrate
-  Potash Mines & Refineries
-  Smelters & Refinery Ops.
-  Uranium Mines

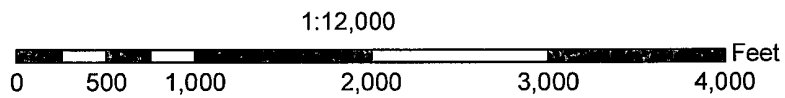
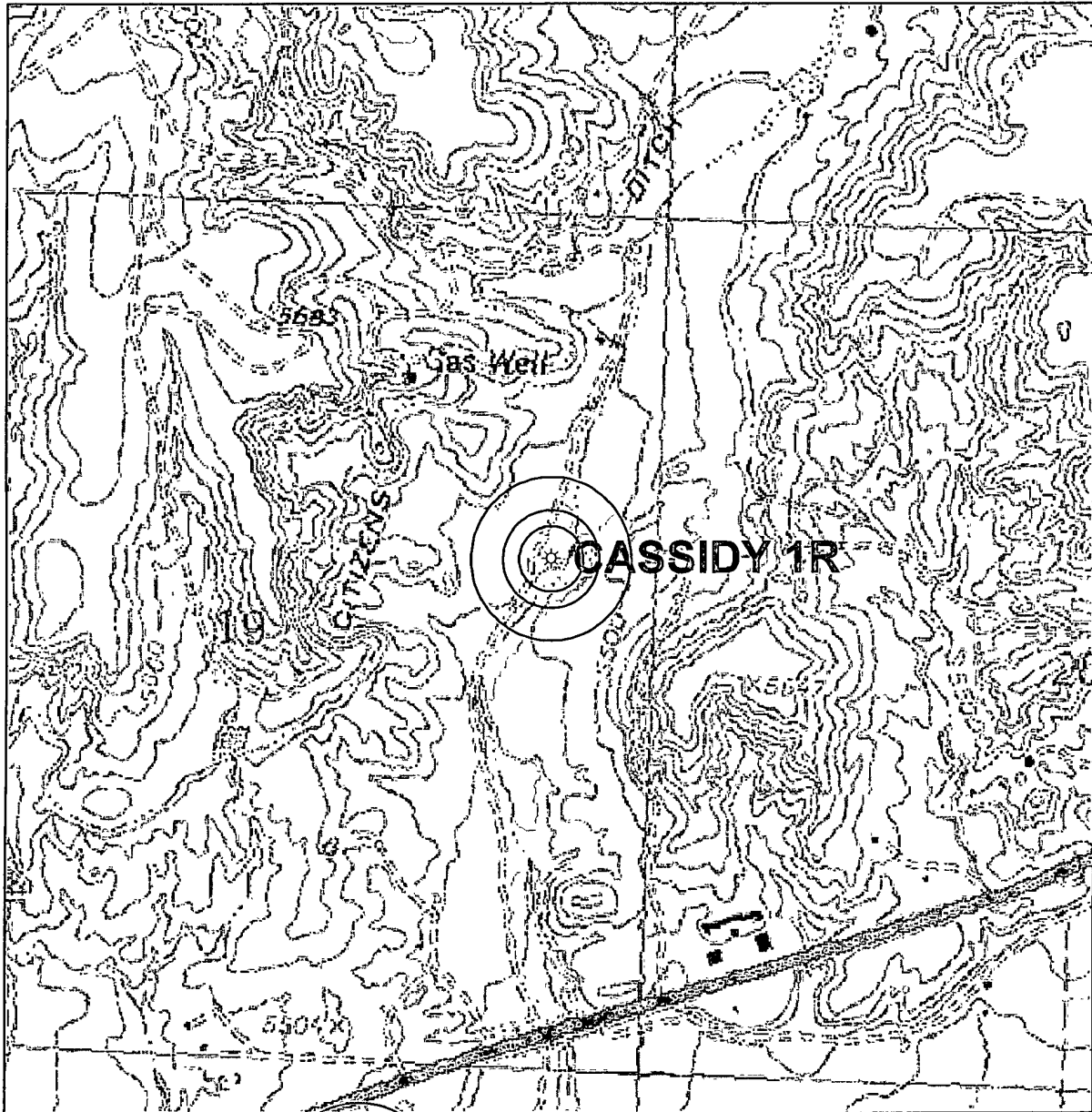


SCALE 1 : 1,065,032



**Federal Emergency Management Agency**



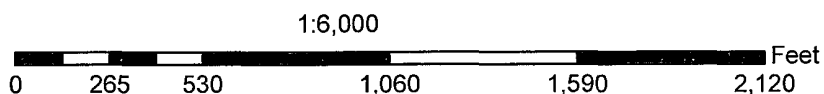
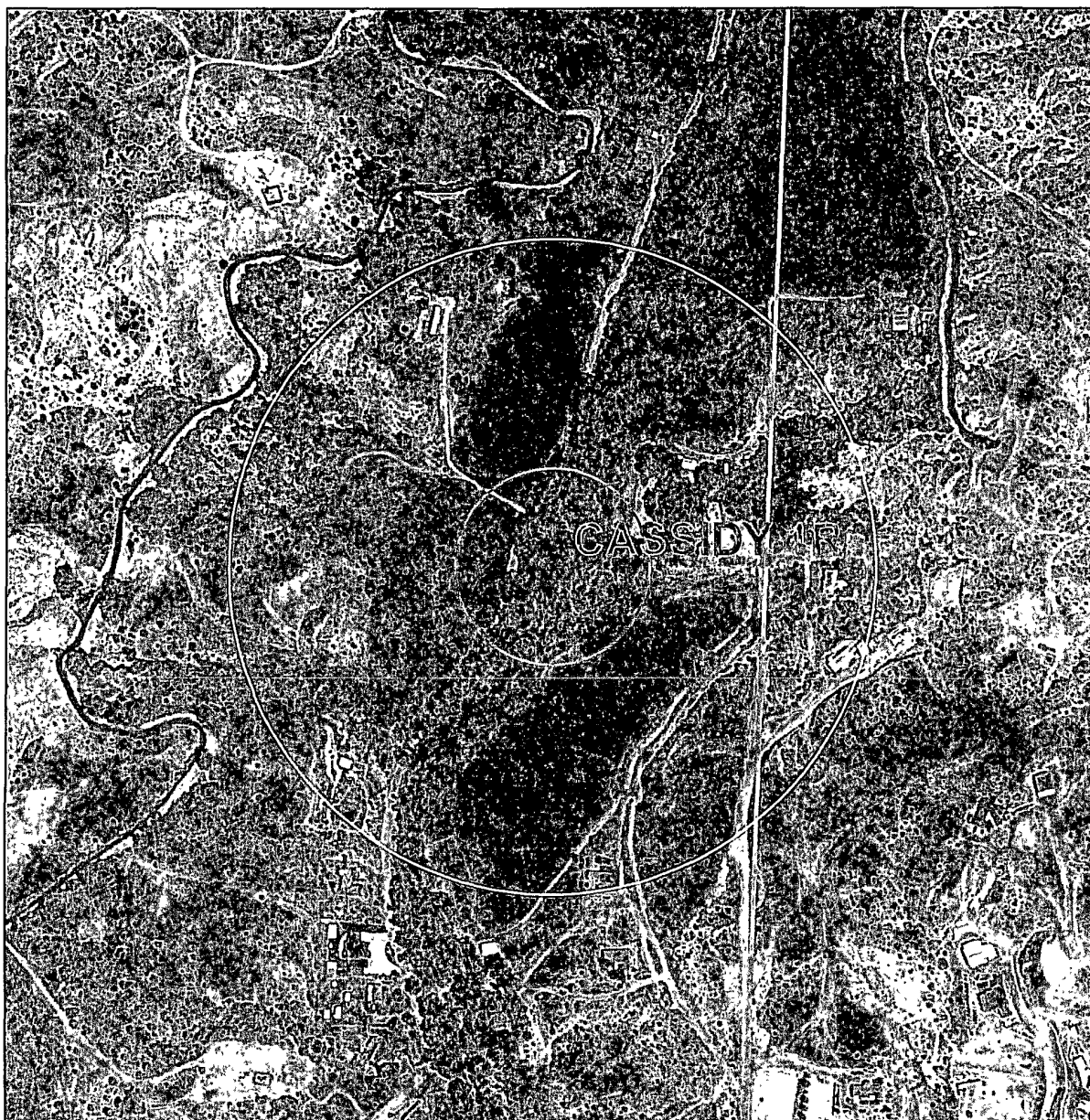


### Legend

- 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 29N 11W  
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 29N 11W  
 Section 19

### **Siting Criteria Compliance Demonstrations**

Cassidy #1R 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 located within 300' of a continuously flowing watercourse and located within the proximity of a permanent residence. The well however is located in a 100 year flood plain.

**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) Cassidy #1R well located in the SENE of Sec 19, T29N, 11W.

**As-built Installation:**

1. The existing tank pit consists of an approximate 12 foot by 5 foot earth walled hole into which a 8 foot by 8 foot steel, single wall 45 bbl tank.
2. The tank walls are closed.
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 6 foot chain link fence.

**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 Cassidy #1R well located in the SENE of Sec 19, T29N, 11W.

**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 Cassidy #1R well located in the SENE of Sec 19, T29N, 11W.

**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 pit prior to closure and the liquids disposed of in a division approved facility. ( Basin or Agua Moss Disposal facilities.)
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. A minimum five point composite sample from the soil under the pit will be analyzed for benzene, the GRO and DRO combined faction, BTEX, TPH, and chlorides to demonstrate that the levels do not exceed the standards as specified in 19.15.17.13 B(1)(b) or the background concentration, whichever is greater.



Components	Test Method	Limit (mg/kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8031B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	1000/500

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. (JFJ Land Farm # NM1-10-B)
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.

# Hydrogeological Report For

## Cassidy #1R

### Surface Formation:

Nacimient Formation

### Regional and Local Geology

The Tertiary Nacimient Formation is a fluvial deposit of Paleocene age (Baltz, 1967). The Nacimient is present at the surface in a wide swath inside the western margin of the basin from the Colorado-New Mexico state line to the south where the exposure area thins along the southern margin of the basin towards the town of Cuba, NM. From Cuba and north along the eastern margin of the basin, the Nacimient is present at the surface as a very thin outcrop along the Nacimient Uplift.

Much of the Nacimient consists of shale, siltstone, and to a lesser extent limited fine- to medium-grained sandstone similar to the Cretaceous rocks of nearby regions and presumably derived by erosion from these rocks (Baltz, 1967). The Nacimient is mainly composed of beds of clays and silts deposited in a low energy environment such as still or slowly moving water (Brimhall, 1973) or in lake-settings (Fassett, 1974). The Nacimient's sandstone units were deposited in an environment of small, localized stream beds. Most of the sandstones extend only a few thousand feet. The Nacimient is a non-resistant unit and typically erodes to low, rounded hills or forms badlands topography (Craig, 2001). The mudstones display popcorn weathering, characteristic of swelling clays. The slope-forming sediments are made up of poorly-consolidated sandstone, instead of shale as previously thought, possibly attributing a greater percentage of sand to the formation than previously considered (Stone et al., 1983).

The Nacimient conformably overlies and intertongues with the Tertiary Ojo Alamo Formation in this area. Where buried, the contact of the Nacimient with the overlying Tertiary San Jose Formation is an erosional and angular unconformity (Fassett, 1974).

### Hydraulic Properties

Tertiary and Quaternary hydrologic properties, regional flow patterns and water quality do not vary significantly from unit to unit. Where pumping levels and drilling depths are economically feasible and where water quality is suitable, the San Jose, Nacimient and Animas Formations are a source of water for public-supply, commercial, private-domestic and livestock use. Water in the San Jose, Nacimient and Animas Formations occurs under both water table and artesian conditions. Recharge to the aquifers is from infiltration of precipitation and stream flow on outcrops, and from vertical upward leakage of water from underlying strata (Levings et al., 1990). Rates of such leakage, however, are very low except in areas of intense fracturing (Stone et al., 1983).

Nacimient and Animas sandstone "aquifers" are neither generally continuous over large distances nor do they all crop out. They grade laterally into clays and silts (Brimhall, 1973). Transmissivity for the San Jose, Nacimient and Animas Formations is minimal. A low yield (10 gallons per minute or less) can be expected for Nacimient and Animas Formations. However, these formations may have relatively high transmissivities in areas of small extent (Stone et al., 1983). Reported or measured discharge from 79 water wells completed in the the San Jose, Nacimient and/or Animas Formations ranges from 1-61 gallon per minute, median 6 gpm. The specific capacity of 12 of these 79 tests ranges from 0.03 to 2.30 gpm per foot of drawdown (Levings et al., 1990). The aquifers of Tertiary rocks yield water that is characteristically high in ions of sodium and sulfate. The removal of iron may be required (Stone et al., 1983).

### Hydrology & Conclusion

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 Cassidy #1R well location, 29N 11W section 19. To the south, sections 29 and 30 are bisected by the San Juan River. The water depths in wells in those

sections coincide with the surface elevation of the San Juan River which is 5380'. Assuming a semi-horizontal water table, depth to that water table in the Cassidy #1R should be 108'. However, in sections 17, 19 and 20, depth to water is varied, between 80' and 3' with an average of 27', indicating elevated water tables (limited, confined sands in the Nacimiento) above the elevation of the true water table. Some of these wells were drilled near intermittent streams and ditches; therefore, their depths of water will change during certain times of the year. Therefore the best estimate for water depth at the Cassidy #1R should be considered the average of nearby wells' water depth which is 27'.

## References

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- Fassett, J.E., 1974, Cretaceous and Tertiary Rocks of the Eastern San Juan Basin, in Guidebook of Ghost Ranch, Central-Northern New Mexico, New Mexico Geological Society, 25<sup>th</sup> Field Conference, 404p.
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