

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

Form C-144
June 1, 2004

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

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>E.G.L. Resources, Inc.</u> Telephone: <u>(432) 687-6560</u> e-mail address: <u>johnl@egresources.com</u>		
Address: <u>P.O. Box 10886, Midland, TX 79702</u>		
Facility or well name: <u>Rock Tank Federal #5</u>	API #: <u>30-015-32857</u>	U/L or Qtr/Qtr <u>NE NW</u> Sec <u>12</u> T <u>23-S</u> R <u>24-E</u>
County: <u>Eddy</u>	Latitude <u>32.324</u>	Longitude <u>104.453</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Felt liner + two 6 mil liners Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>1</u> mil Clay <input type="checkbox"/> Pit Volume <u>4,750</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____ <div style="text-align: right;">RECEIVED OCT 07 2005 OCU-ARTESIA</div>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <u>100 feet or more See Statement #1 Attached</u> (0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No</u> (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) <u>200 feet or more, but less than 1000 feet See Statement #2 Attached</u> (10 points) 1000 feet or more (0 points)	
Ranking Score (Total Points)		

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 you are burying in place) onsite ☒ offsite ☐ 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 ☒ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: <u>See Statement #3 Attached and Facility Diagram Attached</u>

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 ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: October 5, 2005

Printed Name/Title John A. Langhoff / Petroleum Engineer

Signature John A. Langhoff

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: Field Supervisor

Printed Name/Title _____ Signature [Signature]

OCT 7 2005

FORM C-144 ATTACHMENT

**ROCK TANK FEDERAL NO. 5
500' FNL & 2,265' FWL, SEC. 12, TWP. 23-S, RGE. 24-E
EDDY COUNTY, NEW MEXICO**

STATEMENT #1

Water well information was researched using the USGS Water Resources web site (<http://waterdata.usgs.gov/nm/nwis/inventory>) and the New Mexico Office of the State Engineer WATER web site (<http://iwaters.ose.state.nm.us:7001/iWATERS/>). Using these two resources, the following information is pertinent to the drilling pit to be closed.

The pit is located at the Rock Tank Federal #5 well site which is situated high in mountainous terrain and has an elevation of 4,067' above sea level. The physical location of the well and pit is described in the heading of this attachment.

Offset Water Well Information (Nearest to Farthest)

<u>Location</u>	<u>Est. Distance</u>	<u>Est. Elevation (ASL)</u>	<u>Water Table (ASL)</u>
23S 25E 7 NW NW	4,100'	3,900'	Dry (Drilled 800')
23S 24E 11 NW NW	7,000'	3,995'	3,820'
23S 25E 6 NE SW	7,500'	3,885'	3,400'
23S 24E 11 SW NW NW	7,500'	3,995'	3,695'
23S 24E 14 SE SE	9,500'	3,812'	3,772' to 3,792'

The data indicates that the closest water well drilled to the pit location was dry. The possible range for the nearest water source would be between 3,820' ASL and 3,400' ASL or 247 feet to 667 feet below the bottom of the drilling pit.

STATEMENT #2

There is some topographical relief about 450 feet away from the location which directs rain water runoff towards a gully and draw.

STATEMENT #3

The Rock Tank Federal #5 drilling pit was constructed under United States Bureau of Land Management supervision. The pit was built in 100% cut so that the pit area can be folded in and leveled at the ground level. The pit area was lined with a felt liner to prevent punctures in the pit liner. The pit was lined with two 6 mil liners.

The well did not drill through a salt section and the maximum mud weight used was 9.0 ppg.

The proposed plan for the Rock Tank Federal #5 drilling pit closure is as follows:

1. Remaining liquids will be removed from the pit to the maximum extent practicable; and

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2. Remaining solid wastes (i.e. buckets, cans, miscellaneous trash, debris, contaminated solids, etc.) will be removed from the pit, except for dried mud and cuttings, cement, and frac materials in drilling and reserve pits which have been approved by the OCD for encapsulation under Section IV.B.2. and Section IV.B.3.
3. Contents of the drilling pit will be encapsulated below-grade. Encapsulation will be accomplished by mixing earthen materials with the pit contents to stiffen the pit contents, as necessary, folding the edges of the liner over the stiffened mud and cuttings and covering the encapsulated wastes and liner with a minimum of 3 feet of clean soil or like material that is capable of supporting native plant growth. The surface will be contoured to resemble the original contours of the surrounding terrain. The contouring will be sufficient to prevent erosion and ponding of rainwater over the site. The area will be seeded with Side oats Grama seed at an application of 1.0 pound of Pure Live Seed per acre.

The proposed pit closure plan meets the pit closure recommendations specified by the United States Bureau of Land Management in the APD Drilling Approval Stipulations. E.G.L. Resources, Inc. will contact BLM representatives Paul Evans (505) 234-5977 or Becky Hunt (505) 234-5995 prior to reserve pit reclamation.

4. E.G.L. Resources, Inc. will submit final pit closure reports within 30 days of completion of the pit closure operations.

E.G.L. Resources, Inc.

Rock Tank Federal No. 5
500' FNL & 2265' FWL
NE NW Sec. 12 Twp. 23-S Rge. 24-E
Eddy County, New Mexico
API No. 30-015-32857
Lease Number NM-91505

Facility Diagram

April 2004

