

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

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JUN 26 2006

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: Stephens & Johnson Operating Co. Telephone: 940-723-2166 e-mail address: mkincaid@sjoc.net
Address: P.O. Box 2249 Wichita Falls, Texas 76307-2249
Facility or well name: East Millman Pool Unit #2-3 API #: 30-015-34628 U/L or Qtr/Qtr J Sec 12 T 19S R 28E
County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlimited ☐
Liner type: Synthetic ☒ Thickness 12 mil Clay ☐
Pit Volume 7000 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____
Construction material: _____
Double-walled, with leak detection? Yes ☐ If not, explain why not.

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)	
	100 feet or more	(0 points)	X
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)	
	No	(0 points)	X
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 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: A deep bury pit 15' x 20' x 15' deep will be dug inside the reserve pit area and lined with a 12 mil liner. All drilling pit material will be placed inside the deep bury pit. The drilling pit material will be encapsulated by folding the 12 mil liner in on the sides and top of pit and then installing a 20 mil liner on top. Drilling pit area will then be leveled to cover the deep bury pit. At least 3' of top soil will be put on top of the drilling pit area and the terrain returned to as close to original condition as possible.

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: 6/21/06

Printed Name/Title: William M. Kincaid - Petroleum Engineer

Signature: William M. Kincaid

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: JUN 28 2006

Date: _____

Printed Name/Title: _____

Gerry Guye
Deputy Field Inspector
District II - Artesia

Signature: Gerry Guye