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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

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 ☐ Submitted 4/16/04
Type of action Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

AUG 03 2007
OCD-ARTESIA

Operator MCKAY OIL CORPORATION Telephone 505-623-4795 e-mail address: jennifer@mckayoil.com
Address PO Box 2014 Roswell, NM 88202-2014
Facility or well name Inexco Federal #6 API 30-005-63740 U/L or Qtr/Qtr M Sec 19 T 5S R 22E
County CHAVES Latitude Longitude NAD. 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	**Below-grade tank**
Type Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume ____ bbl	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 50 feet or more, but less than 100 feet **100 feet or more**	(20 points) (10 points) **(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 **No**	(20 points) **(0 points)**
Distance to surface water (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses)	Less than 200 feet 200 feet or more, but less than 1000 feet **1000 feet or more**	(20 points) (10 points) **(0 points)**
	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 ☒ 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 plan of reserve pit remediation is attached.

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 8/2/2007
Printed Name/Title James L. Schultz, Agent Signature

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

Signature Signed By Mike Bratcher Date AUG 06 2007

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

If burial trench is to be constructed in pit area, samples are to be obtained and analyses submitted to OCD PRIOR to lining trench.

Minimum of 3' of clean topsoil is to be applied over entire excavated area

Reserve Pit Remediation Plan

Inexco Federal #6
660'FWL & 990'FSL
Sec. 19, T5S, R22E

1. Collect soil samples from the walls of the reserve pit as shown on attached plat (from surface to depth reading 250 ppm chlorides).
2. Pile cuttings and original pit liner to one side of reserve pit.
3. Collect soil samples from inside the pit on the cleared side of reserve pit (trench area) at surface.
4. Dig trench in cleaned out side of the pit, big enough to put all of the cuttings in and leave enough room for 3' backfill material. (NOTE: Trench size depends on amount of cuttings, rock formations, surrounding terrain and mud solidity.)
5. Collect soil samples from inside trench area to a depth reading 250 ppm chloride.
6. Line trench with 20 MIL liner.
7. Fill the trench with cuttings and original pit liner.
8. Cap trench with 20 MIL liner.
9. Collect soil samples from points within the reserve pit (not including the trench area which were collected in Step 5) as shown on attached plat from surface to depth reading 250 ppm chlorides.
10. Back fill area (trench – 3' and reserve pit – 1') with topsoil.
11. Seed area per BLM specifications.

INEXCO FEDERAL #6
660' FWL AND 990' FSL
Sec. 19, T5S, R22E