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

Operator: Pure Resources #EC Telephone: 970-259-1374 e-mail address: _____
Address: 463 Turner Drive Facility or well name: State 16-1E API #: 30045242980000 U/L or Qtr/Qtr SW/NE Sec 16 T 26N R 7W
County: San Juan 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 ____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 X	(20 points) (10 points) (0 points) 0
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 X	(20 points) (0 points) 0
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 X	(20 points) (10 points) (0 points) 0
	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: **Industrial Ecosystems Inc.** (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: **Production Pit**

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: 3/3/05
Printed Name/Title John Hagstrom as Agent for Pure Resources 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:
Printed Name/Title DEPUTY OIL & GAS INSPECTOR, DIST. #3 Signature _____ Date: MAR - 9 2005

SMA
CIVIL/ENVIRONMENTAL
SCIENTISTS & ENGINEERS

February 28, 2005

SMA Project: 5114698

RE: Remedial Activities for Pit Closure at the **State 16-1E**. SW/NE, Sec. 16, T 26N, R 7W, Dakota, San Juan County, NM. State Lease LG 3571. API 30045242980000.

On February 1, 2005, excavation of the unlined **production pit** at the State 16-1E began. The dimensions of the unlined pit were approximately 10X10X1 feet. Remedial excavation was needed based on laboratory analysis of a previous characterization sample, which was collected and analyzed for Diesel Range Organics (DRO), Gasoline Range Organics (GRO), and BTEX, on November 2, 2004. The analysis showed results of:

November 2, 2004	DRO ppm	GRO ppm	BTEX ppm
Production Center Pit Bottom	5260	BDL	540

BDL: Below Detection Limits

No sidewall sample was collected as the pit was only one (1) foot in depth. The pit was excavated using a backhoe. The excavated soils were lightly stained, with a hydrocarbon odor to a depth of approximately four feet below ground surface (bgs). The soil type was poorly graded sand extending from ground surface to the vertical extent of the excavation. The extent of the excavation was approximately 12X12X6 feet. On February 1, 2005, a soil sample was collected from the center pit bottom, and a four-point composite soil sample was collected from the sidewalls for field analysis by PID. Both the center pit bottom sample showed a PID reading of 0 units, and the sidewall composite showed a PID reading of 0 units. Soil samples for closure were collected for laboratory analysis. A double wall steel tank pit was installed in the excavation. The excavation then was backfilled using clean native soils. 30 cubic yards of soil was excavated from the pit and properly disposed of at Industrial Ecosystems Inc., #81 CR 3520 Aztec, NM 87410. Backfilling was completed on February 2, 2005. The backfill was wheel compacted and mounded against future settling. The laboratory analysis of the closure samples for collected on February 1, 2005, showed hydrocarbon levels of:

February 3, 2005	DRO ppm	GRO ppm	BTEX ppm
4 Point Sidewall	BDL	BDL	BDL
Center Pit Bottom	110	6.44	65 m.p-Xylene

BDL: Below Detection Limits

Based on the laboratory analysis, on behalf of our client, Pure Resources, SMA requests closure for this pit. Groundwater was not encountered.

Respectfully submitted,

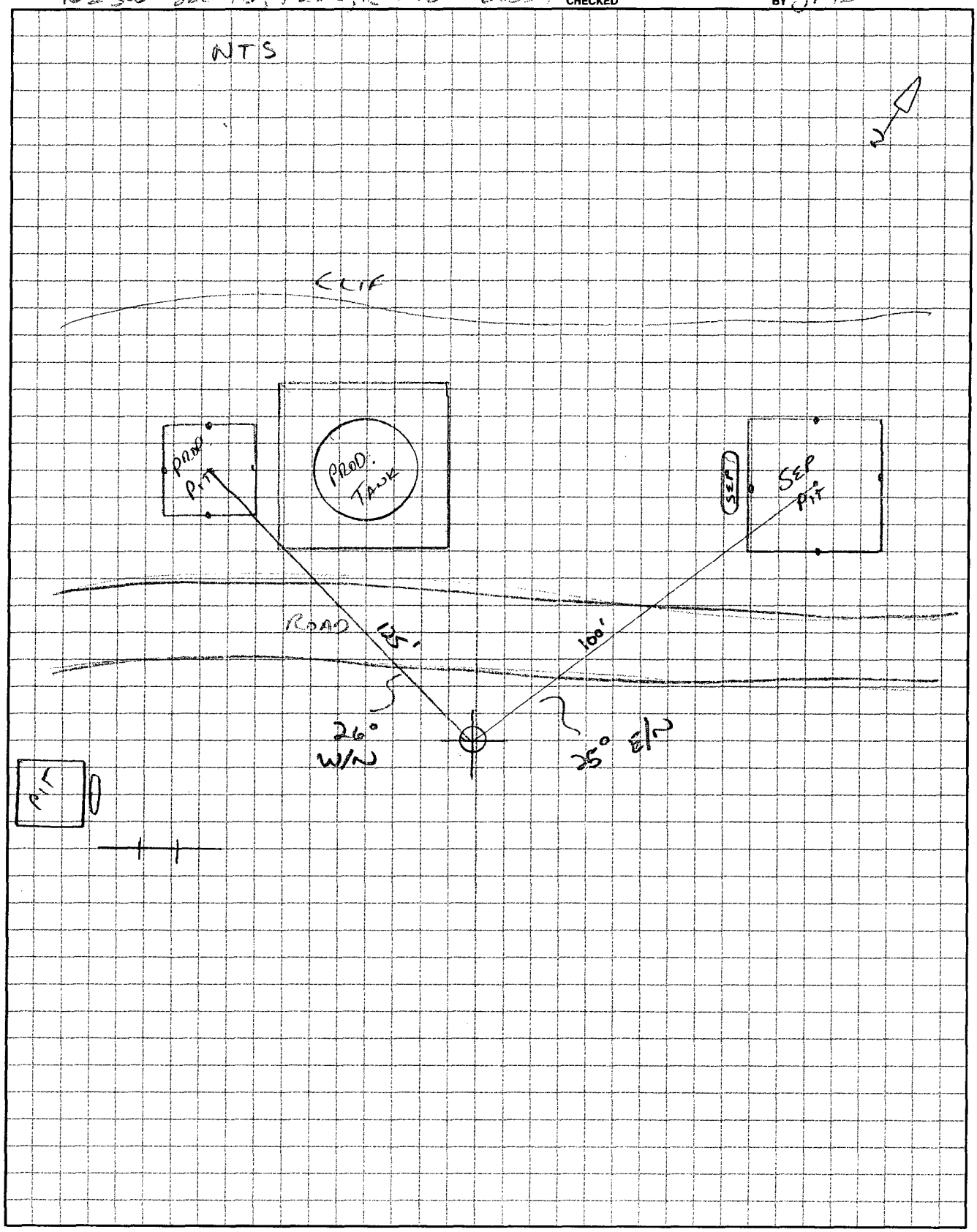
John Hagstrom
Environmental Technician
Souder, Miller and Associates

Tel. (505) 325-5667 Fax (505) 327-1496
P. O. BOX 2606 • FARMINGTON, NM 87499
-TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT-

SUBJECT STATE 16-1E PROJECT 511469 PAGE 1

CLIENT PURE RESOURCES DATE 11/2/2004 BY

NE SW SEC 16, T 21 N, R 7 W LG3521 CHECKED BY JPL



612 E. Murray Drive
Farmington, NM 87499

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P.O. Box 3788
Shiprock, NM 87420

Off: (505) 368-4065

ANALYTICAL REPORT

Date: *17-Nov-04*

CLIENT:	Souder, Miller & Associates	**Client Sample Info:**	STATE 16-1 E
Work Order:	0411005	**Client Sample ID:**	Prod. Pit CP
Project:	5114698 State 16-1 E	**Collection Date:**	11/2/2004 9:15:00 AM
Lab ID:	0411005-001A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
DIESEL RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C10-C28	5260	500		mg/Kg	20	11/4/2004
Surr: o-Terphenyl	120	57-136		%REC	20	11/4/2004
GASOLINE RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C6-C10	ND	4.50		mg/Kg	25	11/4/2004
Surr: Trifluorotoluene	92.0	84-149		%REC	25	11/4/2004
AROMATIC VOLATILES BY GC/PID		**SW8021B**				Analyst: **JEM**
Benzene	ND	25		µg/Kg	25	11/10/2004
Ethylbenzene	120	25		µg/Kg	25	11/10/2004
m,p-Xylene	420	50		µg/Kg	25	11/10/2004
o-Xylene	ND	25		µg/Kg	25	11/10/2004
Toluene	ND	50		µg/Kg	25	11/10/2004
Surr: 1,4-Difluorobenzene	87.1	75-110		%REC	25	11/10/2004
Surr: 4-Bromochlorobenzene	94.0	40-135		%REC	25	11/10/2004
Surr: Fluorobenzene	87.1	69-110		%REC	25	11/10/2004

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

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ANALYTICAL REPORT

Date: *11-Feb-05*

CLIENT:	Souder, Miller & Associates	**Client Sample Info:**	STATE 16-1E Pure Resources
Work Order:	0502004	**Client Sample ID:**	PROD PIT CP
Project:	STATE 16-1E Pure Resources/5114698	**Collection Date:**	2/1/2005 11:15:00 AM
Lab ID:	0502004-004A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
GASOLINE RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C6-C10	6.44	4.50		mg/Kg	25	2/2/2005
Surr: Trifluorotoluene	89.5	84-149		%REC	25	2/2/2005
AROMATIC VOLATILES BY GC/PID		**SW8021B**				Analyst: **JEM**
Benzene	ND	25		µg/Kg	25	2/3/2005
Ethylbenzene	ND	25		µg/Kg	25	2/3/2005
m,p-Xylene	65	50		µg/Kg	25	2/3/2005
Methyl tert-Butyl Ether	ND	250		µg/Kg	25	2/3/2005
o-Xylene	ND	25		µg/Kg	25	2/3/2005
Toluene	ND	50		µg/Kg	25	2/3/2005
Surr: 1,4-Difluorobenzene	87.2	75-110		%REC	25	2/3/2005
Surr: 4-Bromochlorobenzene	118	40-135		%REC	25	2/3/2005
Surr: Fluorobenzene	77.5	69-110		%REC	25	2/3/2005

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ANALYTICAL REPORT

Date: *11-Feb-05*

CLIENT:	Souder, Miller & Associates	**Client Sample Info:**	STATE 16-1E Pure Resources
Work Order:	0502004	**Client Sample ID:**	PROD PIT SW 4PT COMP.
Project:	STATE 16-1E Pure Resources/5114698	**Collection Date:**	2/1/2005 11:15:00 AM
Lab ID:	0502004-003A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
GASOLINE RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C6-C10	ND	4.50		mg/Kg	25	2/2/2005
Surr: Trifluorotoluene	90.2	84-149		%REC	25	2/2/2005
AROMATIC VOLATILES BY GC/PID		**SW8021B**				Analyst: **JEM**
Benzene	ND	25		µg/Kg	25	2/3/2005
Ethylbenzene	ND	25		µg/Kg	25	2/3/2005
m,p-Xylene	ND	50		µg/Kg	25	2/3/2005
Methyl tert-Butyl Ether	ND	250		µg/Kg	25	2/3/2005
o-Xylene	ND	25		µg/Kg	25	2/3/2005
Toluene	ND	50		µg/Kg	25	2/3/2005
Surr: 1,4-Difluorobenzene	86.5	75-110		%REC	25	2/3/2005
Surr: 4-Bromochlorobenzene	113	40-135		%REC	25	2/3/2005
Surr: Fluorobenzene	77.1	69-110		%REC	25	2/3/2005

Qualifiers:

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