

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.

1561  
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

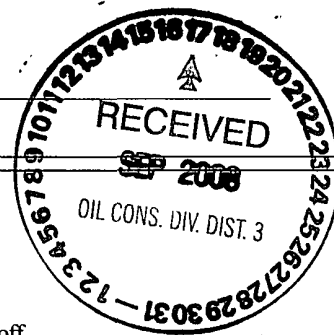
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator: Kimbell Oil Company OGRID #: 12683  
Address: 777 Taylor St., Suite P-IIA; Fort Worth, TX 76102  
Facility or well name: Salazar Federal #4E  
API Number: 3003923368 OCD Permit Number: Not Applicable  
U/L or Qtr/Qtr F Section 34 Township 25N Range 6W County: Rio Arriba  
Center of Proposed Design: Latitude 36.359128 Longitude -107.458727 NAD: ☐ 1927 ☒ 1983  
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.  
☐ **Pit:** Subsection F or G of 19.15.17.11 NMAC  
Temporary: ☐ Drilling ☐ Workover  
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A  
☐ Lined ☐ Unlined Liner type: Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_ Volume: \_\_\_\_\_ bbl Dimensions: L \_\_\_\_\_ x W \_\_\_\_\_ x D \_\_\_\_\_

3.  
☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC  
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)  
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other \_\_\_\_\_  
☐ Lined ☐ Unlined Liner type: Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_

4.  
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC  
Volume: 95 bbl Type of fluid: Produced Water  
Tank Construction material: Steel double-walled tank  
☒ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off  
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other \\_\_\_\_\_  
Liner type: Thickness \_\_\_\_\_ mil ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_



5.  
☐ **Alternative Method:**  
 Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

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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 4 foot tall hog wire fencing with pipe railing

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7.  
**Netting:** Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)  
☒ Screen ☐ Netting ☐ Other \_\_\_\_\_  
☐ Monthly inspections (If netting or screening is not physically feasible)

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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

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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.

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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 <b>Closure report approved by the OCD in 2006 states that the groundwater level is less than 50 feet.</b>	<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 ( <b>The nearest watercourse is located 248.6 ft. east of the well site per the attached aerial.</b> )	<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. ( <i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i> ) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image <b>Visual inspection of the site indicates that none of the above mentioned locations are within 300 feet of the well site.</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. ( <i>Applies to permanent pits</i> ) - 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 <b>iWATERS database search indicates that no water wells exist within 500 feet</b>	<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 <b>Included topographical map indicates that the well site is not located within a defined municipal boundary or a fresh water well field.</b>	<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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(The USFWS data file, WetlandsData.kmz, dated July 2, 2008 was opened using Google Earth. The nearest wetland is located 248.6 ft. east of the well site.)

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

**The included NM EMNRD map shows that the site is not within an area overlying a subsurface mine**

☐ Yes ☒ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

**The attached topographical map shows no faults running near the site, indicating that the site is not within an unstable area.**

☐ Yes ☒ No

Within a 100-year floodplain.

- FEMA map

**The included FEMA map shows that the site is not within a 100 year flood plain.**

☐ Yes ☒ 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  
☐ AlternativeProposed 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

☐ Yes ☐ No  
☐ 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

☐ Yes ☐ No  
☐ 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

☐ Yes ☐ No  
☐ 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

☐ Yes ☐ 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

☐ Yes ☐ 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

☐ Yes ☐ 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

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.  
- FEMA map

☐ Yes ☐ 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): Jon Stickland

Title: Engineer

Signature: J. M. Stickland

Date: 9/15/2008

e-mail address: jms@kimbelloil.com

Telephone: (817) 335-2591 x 30

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

OCD Representative Signature: Jonathan Kelly

Approval Date: 3/09/2012

Title: Compliance Officer

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 identify 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: \_\_\_\_\_

**Attachments:**

2006 Spill Closure Report

Aerial Map

iWaters Database Search

Topographical Map

NM EMNRD Map

FEMA Map

Below Grade Tank Maintenance and Operating Plan

Below Grade Tank Closure Plan

API 30-039-23368

**Kimbell Oil Company of Texas**  
777 Taylor Street, Suite P-IIA  
Fort Worth, Texas 76102

April 3, 2006

NMOCD  
District III Office  
Attention: Mr. Danny Foust  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

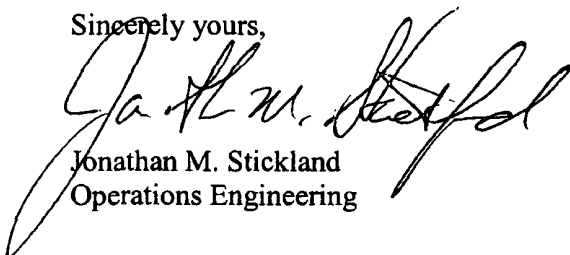
**RE: Salazar 4E: Final Site Excavation, Remediation and Restoration Spill Report**

Dear Mr. Foust:

Please find enclosed, in duplicate, Kimbell Oil Company of Texas' Form C-141, Release Notification and Corrective Action, FINAL REPORT, for the above referenced well. As you are aware, all spill site excavations, remediations and actions conducted onsite were pre-approved by either your self and/or BLM personnel in conjunction with our third party contractor, Envirotech. Please find enclosed 1 original and 1 copy of Envirotech's final site report for this project. We will continue to file reports with the NMOCD and the BLM as the four Bio-Piles of condensate contaminated soils are fully remediated and restored and spread into a natural non-piled contour around each of the four (4) pile sites.

Should there be any further information that you might require, please contact the undersigned at your convenience.

Sincerely yours,

  
Jonathan M. Stickland  
Operations Engineering

No justification  
for monitor wells,  
DGT 4/11/06





**KIMBELL OIL COMPANY OF TEXAS  
SPILL CLEANUP REPORT  
SALAZAR No. 4E**

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	Section 3, Site Photography
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## **INTRODUCTION**

Envirotech, Inc. of Farmington, New Mexico, was contracted by Kimbell Oil Company of Texas to provide environmental spill response and cleanup services at the Salazar No. 4E, Unit F, Sec 34, Twp 25N, Rng 6W, Rio Arriba County, New Mexico; see *Figure 1, Vicinity Map*. A ball valve on a 300 barrel (bbl) production tank had frozen, forcing the valve to push through the threadings releasing approximately 183 bbls of condensate. Cleanup activities included the environmental excavation of contaminated soil, transportation of contaminated soils, acquisition of backfill soils, continual confirmation sampling, and the documentation of site activities.

## **ACTIVITIES PERFORMED**

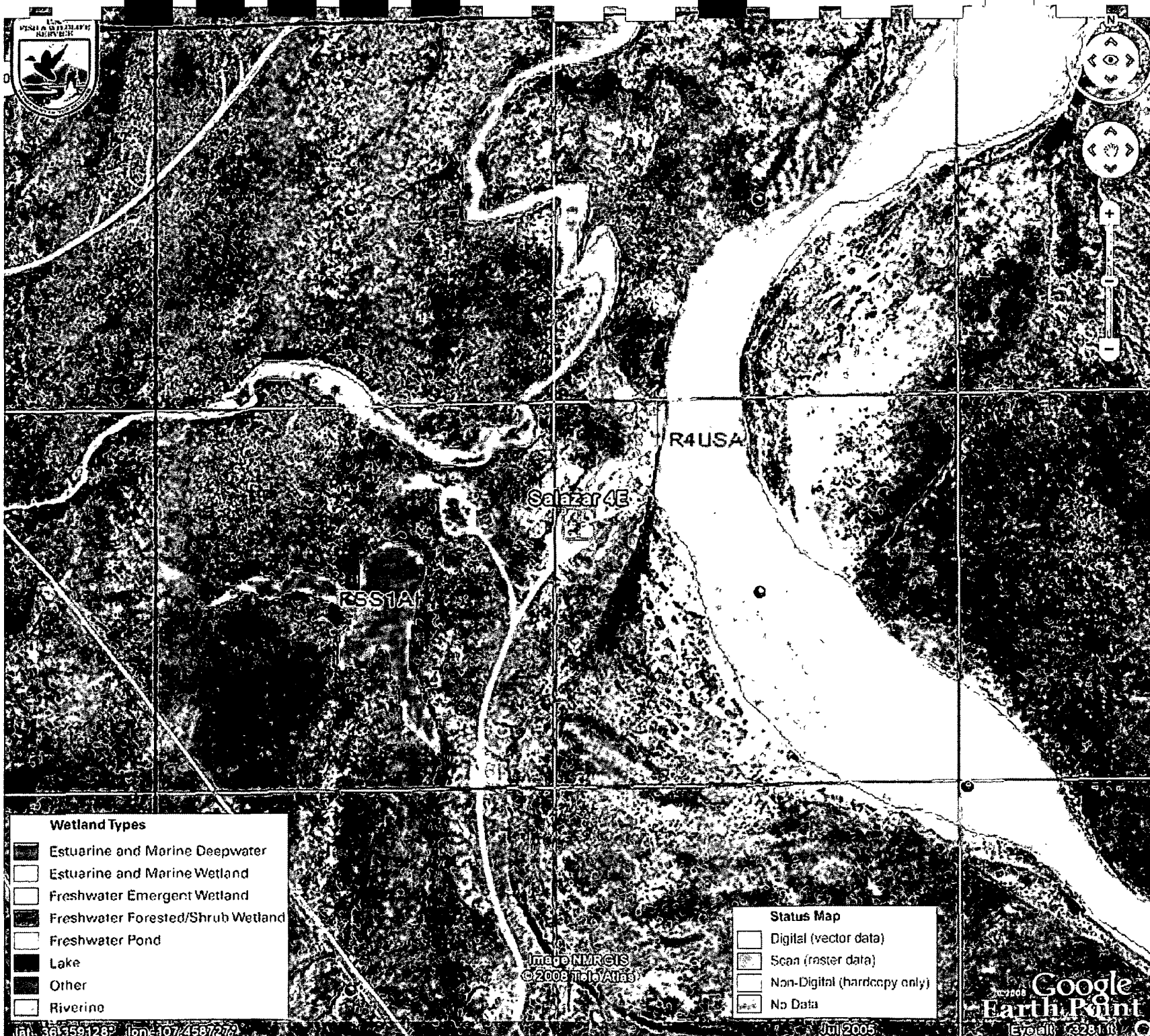
Envirotech was contacted with a request to respond to a release of 183 bbls of condensate at the above referenced location. An initial site assessment was completed by Mr. Morgan Killion, General Superintendent for Envirotech. His assessment enabled the proper planning of the estimated scope of work necessary to respond accordingly to the environmental incident.

On January 18, 2006, Mr. Michael Marquez, Environmental Scientist for Envirotech, traveled to the site to hand auger four (4) borings to three (3) feet below ground surface (BGS). These borings were completed in an attempt to determine what site equipment, if any, would need to be relocated. The hand auger locations are noted as S1 through S4; see *Figure 2, Site Map*. At the required depth, a sample was taken and screened in the field using an Organic Vapor Meter (OVM). The samples were collected into quart-size Ziplock baggies, filled approximately half-full, allowed to heat to approximately 65 degrees Fahrenheit, and the peak measurement recorded. Field screening showed all hand auger locations exceeded the 100 parts per million (ppm) criteria determined from the New Mexico Oil Conservation Division (NMOCD) guidelines found in a publication titled *Guidelines for Remediation of Leaks, Spills, and Releases*, dated August 13, 1993. These ranking criteria were determined by the following field observations:

1. Depth to Ground Water; < 50 vertical feet; NMOCD Ranking of 20 points
2. Distance to Surface Water Body; < 200 horizontal feet; NMOCD Ranking of 20 points

Following the guidelines in the aforementioned publication, any ranking which exceeds 20 points is required to have closure sample analysis of Total Petroleum Hydrocarbons (TPH) < 100 ppm and a Total Benzene, Toluene, Ethylbenzene, and Xylenes (BTEX) of < 50,000 ppb.

On the same day hand auguring was completed, Mr. Bart Dodson, with the Bureau of Land Management (BLM), Farmington District Office, arrived on-site to determine what stipulations and requirements would be required from the BLM while excavation activities commenced. Mr. Dodson expressed a concern due to the proximity of the Salazar No. 4E to the Largo Wash. Because of this concern, he requested all impacted soils be transported away from the flood plain, to sites without the concern for surface water patterns. Additionally, he also began the task of finding borrow soil locations to be used as a source for local backfill material.



#### Wetland Types

- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Freshwater Pond
- Lake
- Other
- Riverine

#### Status Map

- Digital (vector data)
- Scan (raster data)
- Non-Digital (hardcopy only)
- No Data

Image NMRGIS  
©2008 NMRGIS

Google  
Earth Point

lat: 36.559128, lon: -107.458727

Jul 2005

Eye alt: 328.1 ft

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

Township: 25N    Range: 06W    Sections: 34

NAD27    X:                      Y:                      Zone:                      Search Radius:

County:                      Basin:                      Number:                      Suffix:

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

### AVERAGE DEPTH OF WATER REPORT 09/04/2008

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg

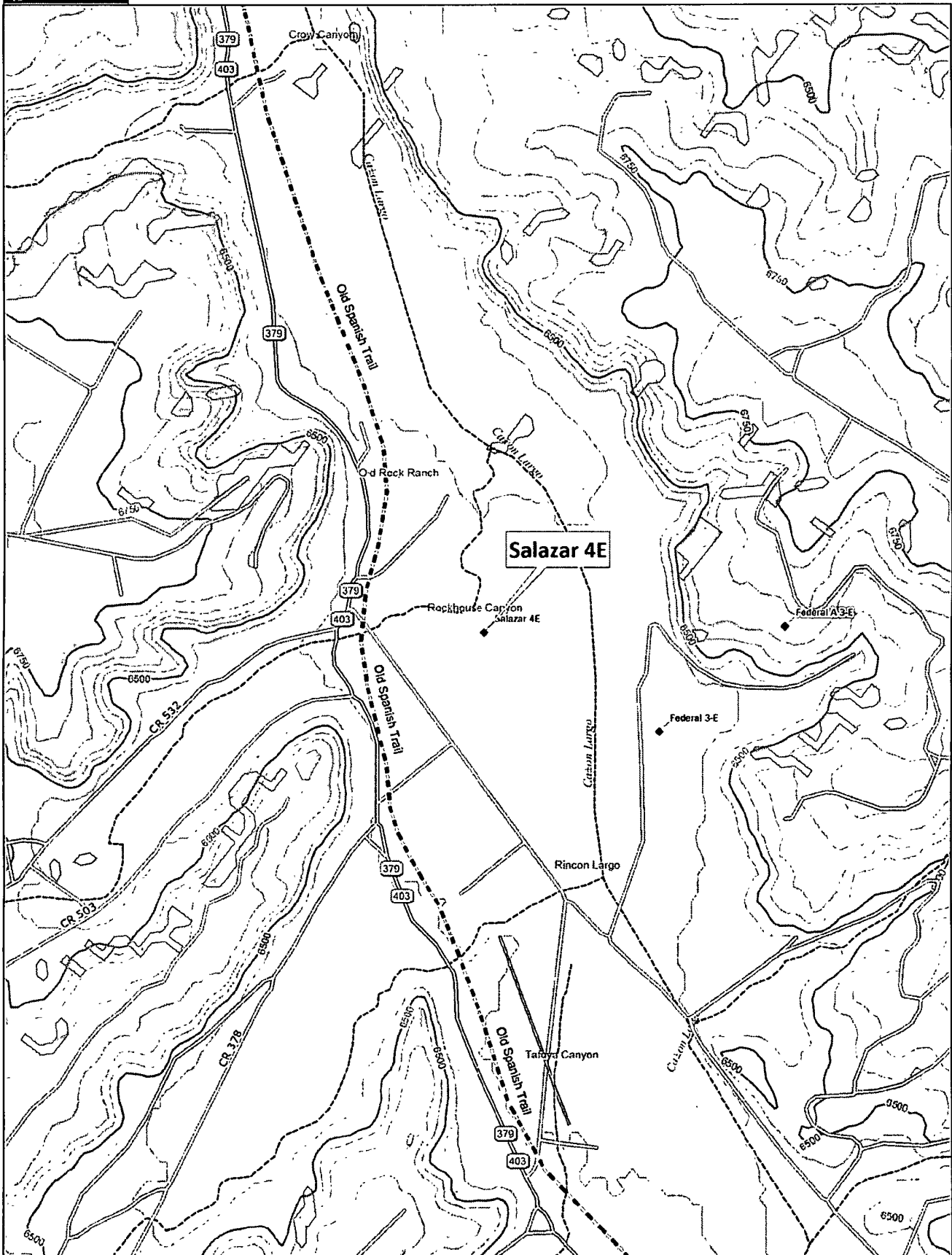
No Records found, try again

New Mexico Office of the State Engineer  
POD Reports and Downloads

Township: 25N    Range: 66W    Sections: 34  
NAD27    X:                      Y:                      Zone:                      Search Radius:  
County:                      Basin:                      Number:                      Suffix:  
Owner Name:    (First)                      (Last)                      Non-Domestic    Domestic    • All  
POD / Surface Data Report    Avg Depth to Water Report    Water Column Report  
Clear Form    WATERS Menu    Help

POD / SURFACE DATA REPORT    09/04/2008

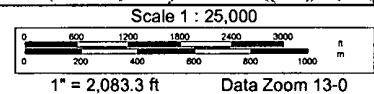
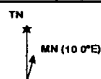
DB File Nbr	(acre ft per annum) Use    Diversion    Owner	POD Number	(quarters are 1=NN 2=NE 3=SW 4=SE) (quarters are biggest to smallest)				X Y are in Feet			UTM are in Meters			Start Date	Finish Date	Depth Well	Depth (in feet) Water
			Source	Tws	Rng	Sec	Q	Q	Zone	X	Y	UTM_Zone				
No Records found, try again																



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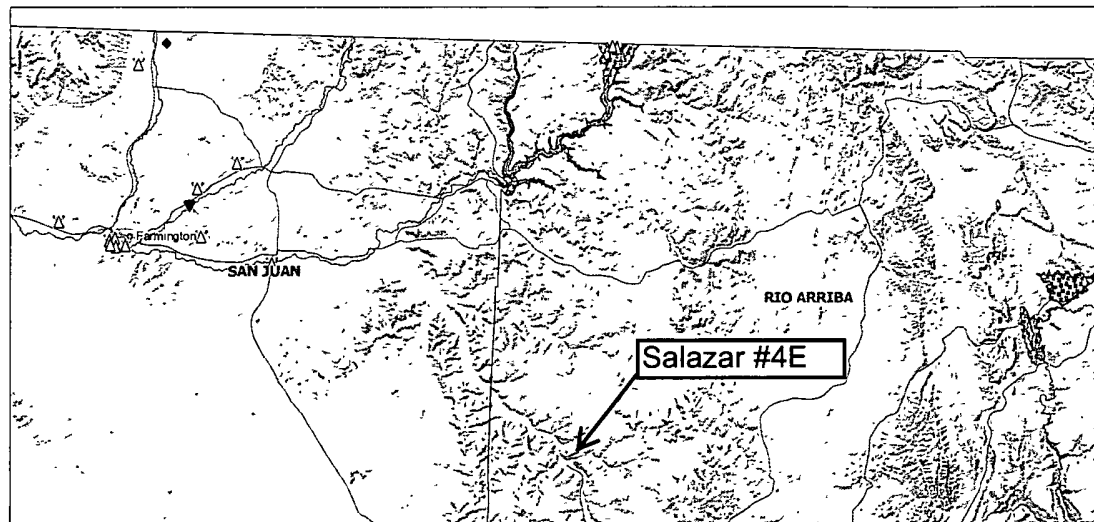
# San Juan Basin Mines

## 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
-  Uranium Mills

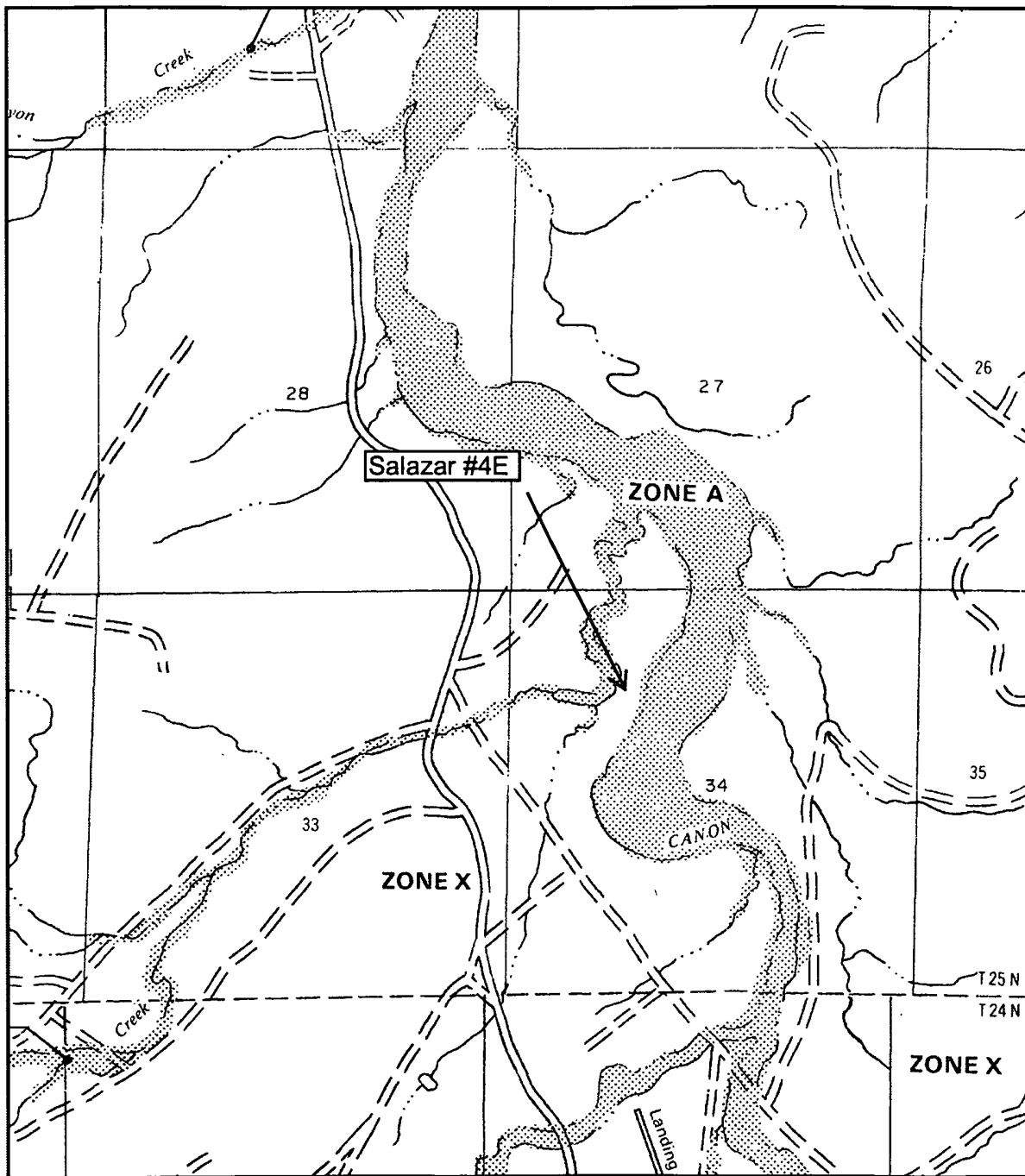
## Mines, Mills & Quarries Status

 Active Mining



SCALE 1 : 1,041,908





APPROXIMATE SCALE

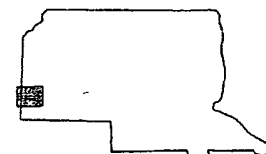
2000 0 2000 FEET

NATIONAL FLOOD INSURANCE PROGRAM

**FIRM**  
FLOOD INSURANCE RATE MAP

RIO ARriba COUNTY,  
NEW MEXICO  
UNINCORPORATED AREAS

PANEL 725 OF 1325  
(SEE MAP INDEX FOR PANELS NOT PRINTED)



PANEL LOCATION

COMMUNITY-PANEL NUMBER

350049 0725 B

EFFECTIVE DATE:

JANUARY 5, 1989



Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at [www.msc.fema.gov](http://www.msc.fema.gov)



## **Kimbell Oil Company of Texas**

### **San Juan Basin**

#### **Below Grade Tank Maintenance and Operating Plan**

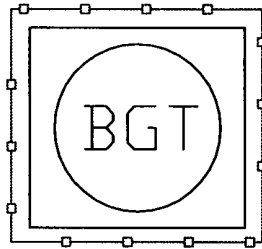
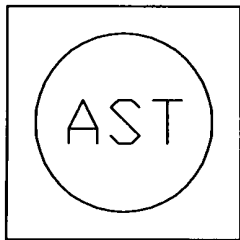
In accordance with Rule 19.15.17 the following information describes the operation and maintenance of a Below Grade Tank (BGT) on Kimbell Oil Company of Texas locations. This particular location does not meet the citing criteria to operate a BGT, and thus will be closing the BGT within 5 years and replacing it with an above ground storage tank.

#### **GENERAL PLAN:**

1. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, will operate and maintain a BGT to contain liquids and solids to prevent contamination of fresh water and to protect public health and environment.
2. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall not allow a BGT to overflow or allow surface water run-on to enter the BGT. *Figure A, Site Map* and *Figure B, Design Plan* can be referenced for a visual representation of how this will be accomplished.
3. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in an effort to prevent the accumulation of oil over time.
4. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall inspect the BGT at least once monthly and maintain a written record of each inspection for at least five (5) years.
5. Kimbell Oil Company of Texas; or a contractor representing Kimbell Oil Company of Texas, shall maintain adequate freeboard to prevent overtopping of the BGT.
6. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall maintain an expanded metal covering on the BGT.
7. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas will close the BGT within the NMOCD allotted 5 years and put into service an above ground storage tank to meet the needs previously fulfilled by the BGT.

***Figure A, Site Map***

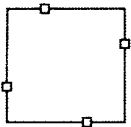
***Figure B, Design Plan***



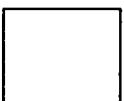
SEP

MR

# LEGEND



Field Fencing



Berm



Well Head

SITE MAP  
KIMBELL OIL COMPANY OF TEXAS  
SALAZAR #4E  
SEC 34 TWN 25N RGE 6W  
RIO ARRIBA COUNTY, NEW MEXICO

SCALE: NTS

PROJECT N006011-0009

FIGURE NO. A

REV

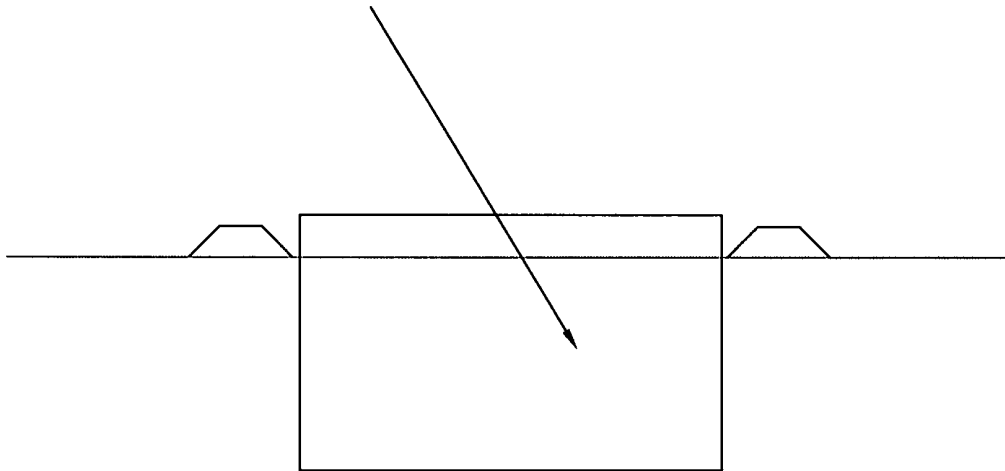
## REVISIONS

NO.	DATE	BY	DESCRIPTION
MAP DRWN	JPM	9/12/08	BASE DRWN

ENVIRONMENTAL SCIENTISTS & ENGINEERS  
**ENVIROTECH**

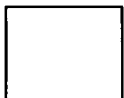
5796 U.S. HIGHWAY 64, FARMINGTON, NM 87410 505-632-0615

95 BBL  
Tank



\*Berm completed around  
BGT

# LEGEND



Berm

DESIGN PLAN  
KIMBELL OIL COMPANY OF TEXAS  
SALAZAR #4E  
SEC 34 TWN 25N RGE 6W  
RIO ARRIBA COUNTY, NEW MEXICO

SCALE: NTS

PROJECT: N006011-0009

FIGURE NO. B

REV

## REVISIONS

NO.	DATE	BY	DESCRIPTION

MAP DRWN JPM

9/11/08

BASE DRWN

ENVIRONMENTAL SCIENTISTS & ENGINEERS  
**ENVIROTECH**

5796 U.S. HIGHWAY 64, FARMINGTON, NM 87410 505-632-0615

# **BELOW GRADE TANK (BGT) CLOSURE PLAN**

**SITE NAME:**

**SALAZAR #4E**

**UNIT LETTER F, SECTION 34, TOWNSHIP 25N, RANGE 6W  
RIO ARriba COUNTY, NEW MEXICO  
LATITUDE N 36.359128 LONGITUDE W 107.458727**

**SUBMITTED TO:**

**MR. BRANDON POWELL  
NEW MEXICO OIL CONSERVATION DIVISION  
1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178 EXT 15**

**SUBMITTED BY:**

**MR. JON STICKLAND  
KIMBELL OIL COMPANY OF TEXAS  
777 TAYLOR STREET, SUITE P-IIA  
FORT WORTH, TX 76102  
(817) 335-2591**

**SEPTEMBER 2008**

**BELOW GRADE TANK (BGT) CLOSURE PLAN  
KIMBELL OIL COMPANY OF TEXAS  
SALAZAR #4E  
RIO ARriba COUNTY, NEW MEXICO**

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<u>SCOPE OF CLOSURE ACTIVITIES</u> .....	1
<u>REPORTING</u> .....	2

## **INTRODUCTION**

Kimbell Oil Company of Texas is submitting this closure plan for the below grade tank (BGT) at the Salazar #4E located in the SE ¼ NE ¼ of Section 34, Township 25N, Range 6W, Rio Arriba County, New Mexico. This closure plan has been prepared in conformance with New Mexico Oil Conservation Division (NMOCD) procedures.

## **SCOPE OF CLOSURE ACTIVITIES**

The purpose of this closure plan is to provide the details of activities involved in the closure of the BGT at the Salazar #4E well site. The following scope of closure activities has been designed to meet this objective:

- 1) Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas shall submit a closure plan to the division's environmental bureau. Upon receipt of this plan the division shall review the current closure plan for adequacy and accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC.
- 2) No less than 72 hours and no greater than one (1) week prior to BGT removal, Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas will provide written notification to the appropriate division district office as well as a schedule of on-site activities, as in accordance with 19.15.17.13 Subsection J Paragraph (2) NMAC.
- 3) Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas shall provide written notification to the surface owner no later than 72 hours prior to BGT removal by certified mail. BLM will receive notification per a Sundry Notice, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC.
- 4) Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas will remove all liquids, and/or sludge, if applicable, prior to closure. Material will be disposed of at Envirotech Landfarm #2, Permit # NM-01-0011, or with Basin Disposal for Water Disposal, depending on the consistence of the material removed, as in accordance with 19.15.17.13 Subsection E Paragraph (1) NMAC.
- 5) Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas will remove the BGT and all on-site equipment associated with the BGT, that cannot or will not be reused on-site, as in accordance with 19.15.17.13 Subsection E Paragraphs (2) and (3) NMAC.
- 6) Once the BGT is removed, a five (5) - point composite sample will be collected from directly below the tank or below the leak detection system if present. An additional discrete sample will be collected from any area that is wet, discolored, or showing other evidence of a release. All samples being collected will be analyzed for benzene and total BTEX via USEPA Method 8021, TPH via USEPA Method 418.1, and chlorides via USEPA 300.1, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.

- 7) The area will be either backfilled or the area will be excavated, in accordance with the following:
- a. If soil samples pass the regulatory standards of 0.2 ppm benzene, 50 ppm BTEX, 100 ppm TPH, and 250 ppm or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC, then:
    - i. Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
    - ii. Upon decommissioning of the well site Kimbell Oil Company of Texas or a contractor acting on behalf of Kimbell Oil Company of Texas will construct a division-prescribed soil cover, substantially restore, recontour and re-vegetate the site, in accordance with 19.15.17.13 Subsections G, H, and I NMAC. The soil cover for closures, where the operator has removed the pit contents or remediated the contaminated soil to the division's satisfaction, shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The operator shall construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material. The operator shall notify the division when it has been re-seeded and when it has achieved successful re-vegetation.
  - b. If soil samples exceed the regulatory standards stated above.
    - i. Kimbell Oil Company of Texas will submit a Release Notification by Form C-141 to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
    - ii. Activities beyond this point will be in accordance with 19.15.3.116 NMAC and 19.15.11.19 NMAC.

### **REPORTING**

Reporting will occur within 60 days following the BGT closure and will consist of a form C-144 with all supporting data, and a form C-141 with all supporting data, if necessary. The supporting data will include analytical results, a site diagram, a copy of the site owner notification, and other information related to the onsite activities.

We appreciate the opportunity to be of service. If you have any questions or require further information, please do not hesitate to contact our office at (505) 632-0615.

Respectfully Submitted:

**Kimbell Oil Company of Texas**