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

1553

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 3E
API Number: 3003923787 OCD Permit Number: Not Applicable
U/L or Qtr/Qtr O Section 27 Township 25N Range 6W County: Rio Arriba
Center of Proposed Design: Latitude 36.365940 Longitude -107.451366 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 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 Secondary containment
Liner type. Thickness _____mil ☐ HDPE ☐ PVC ☐ Other _____

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SEP 2008
OIL CONS DIV DIST. 3

22

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

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

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)

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

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

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 **Attached data obtained from nearby wells indicated that groundwater is less than 50 feet.**	☒ Yes ☐ 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 **(The nearest watercourse is located 279.7 ft. west of the well site per the attached aerial.)**	☐ Yes ☒ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application *(Applies to temporary, emergency, or cavitation pits and below-grade tanks)* - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image **Visual inspections indicate the site is greater than 300 feet from any of the above mentioned locations.**	☐ Yes ☒ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. *(Applies to permanent pits)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☒ 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 **(The nearest well is 2,933.9 ft. west of the well 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 **Attached topographical map indicates that the site is not within the defined boundaries of a municipality or a fresh water well field.**	☐ 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

(The USFWS data file, WetlandsData.kmz, dated July 2, 2008 was opened using Google Earth. The nearest wetland is located 279.7 ft. west 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 MN 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 fault lines running near the well site, indicating that the well site is not within an unstable area.**	☐ Yes ☒ No
Within a 100-year floodplain - FEMA map **Attached FEMA map shows that the site is not within a 100 year flood plan.**	☐ 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_2S, 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 ☐ Alternative
Proposed 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 indentify 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 & 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 D. Kelly **Approval Date:** 3/28/2012

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 indentify 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:

C144 for Salazar G Federal 34-1
iWaters Database Search
Aerial Map
iWaters Database Search
Topographical Map
NM EMNRD Map
FEMA Map
Below Grade Tank Maintenance and Operating Plan
Below Grade Tank Closure Plan

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

NMOCD Original

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: Resource Development Technology LLC Telephone: (303) 716-3200 e-mail address: ras.rdt@mindspring.com
Address: P.O. Box 1020, Morrison, CO 80465
Facility or well name: Salazar G Fed. 34- #1 API #: 30-039-22821 U/L or Qtr/Qtr 1630' FSL & 1660' FWL, Unit K of Sec 34 T 25N R 6W
County: Rio Arriba 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 334 Bbl	Volume: 55 Bbl Type of fluid: Separator Fluids. Construction material: Fiberglass Tank Double-walled, with leak detection? Yes ☐ If not, explain why not NO. The Fiberglass Tank was Improperly Installed & Removed.		
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)	20
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)	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	(20 points) (10 points) (0 points)	10
	Ranking Score (Total Points)		30

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: One unlined approx. 334 Bbl. production pit containing an improperly installed below-grade fiberglass tank was remediated by removing the fiberglass tank, excavating contaminated soil, and then mixing & fertilizing contaminated soil on-site. The pit was the original production pit south of the separator Approximately 266 cubic yards of soil were excavated from this pit. On 6/28/04, a composite wall sample and a composite bottom sample were taken from the pit and sent to the laboratory for TPH and BTEX analysis and met remediation standards. The soil pile & land farm was sampled 3 times, with the final sample collected on 11/10/2004. The soil pile was tested, flattened & re-tested & mixed and finally tested OK. The site diagram and sample results are attached. All FINAL excavation & land farm sample results are less than the TPH & BTEX Remediation Standards for this site.

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 1/12/2007
Printed Name/Title Robert A. Schwering, P.E., Operations Manager Signature R. A. Schwering

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 Brandon Powell Date JAN 25 2007

New Mexico Office of the State Engineer
POD Reports and Downloads

Township 25N Range 06W Sections. 27

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

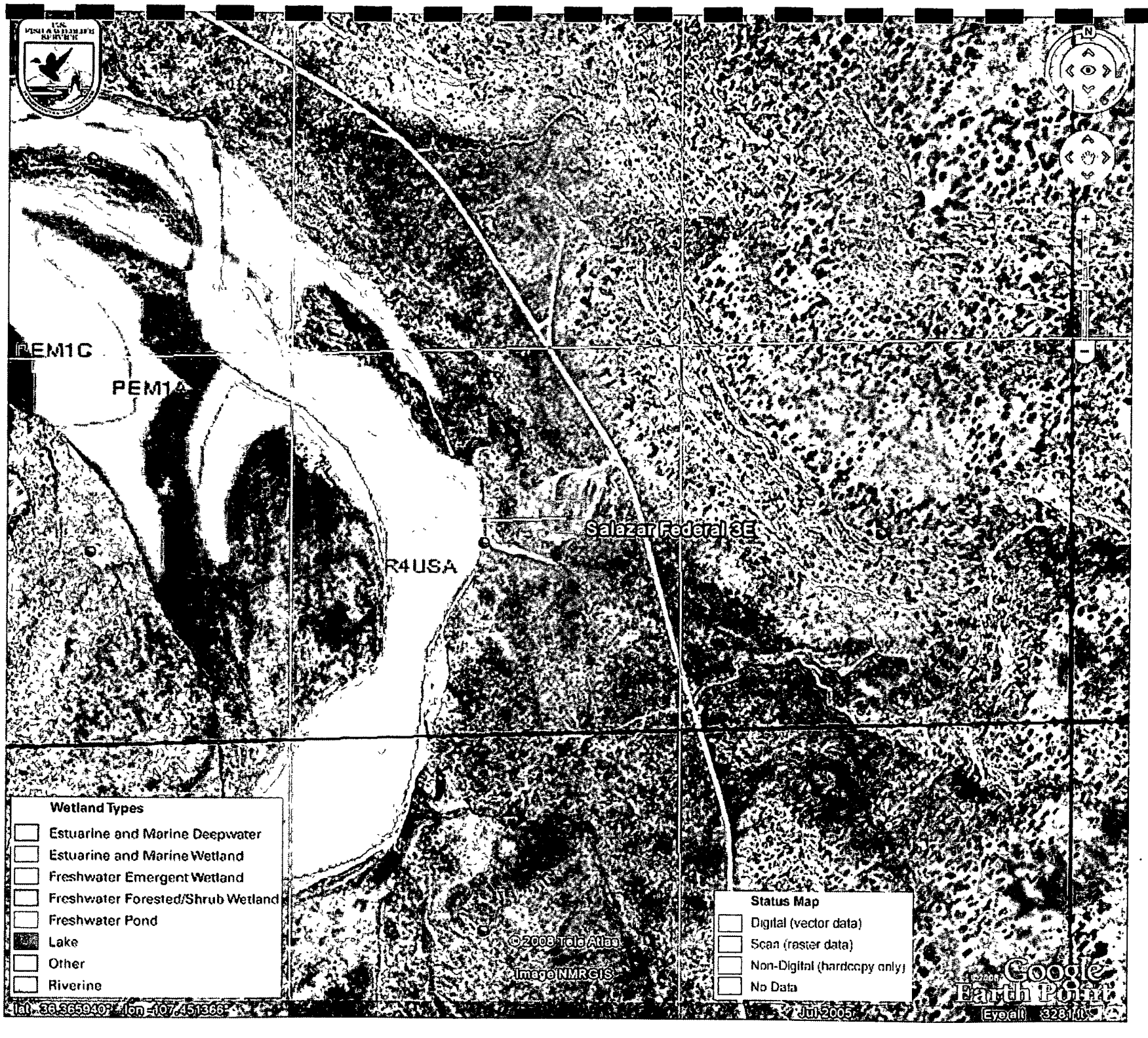
Clear Form | iWATERS Menu | Help

POD / SURFACE DATA REPORT 09/04/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest X Y are in Feet UTM are in Meters)

DB File Nbr	Use	(acre ft per annum) Diversion	Owner	POD Number	Source	Tws	Rng	Sec	q	q	q	Zone	X	Y	UTM_Zone	Easting	Northing	Start Date	Finish Date	Depth Well	Depth (in feet) Water
SJ 00681 33	STK	48	HOMER C BERRY	SJ 00681 33		25N	06W	27	3	3					13	279176	4027301				

Record Count 1


PEM1C
PEM1A
R4USA
Salazar Federal 3E
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
© 2008 Tele Atlas
Image NMRGIS
Google
Earth Pro
Jul 2005
Eye alt 3281 ft

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 25N Range: 06W Sections: 27

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 | iWATERS Menu | Help

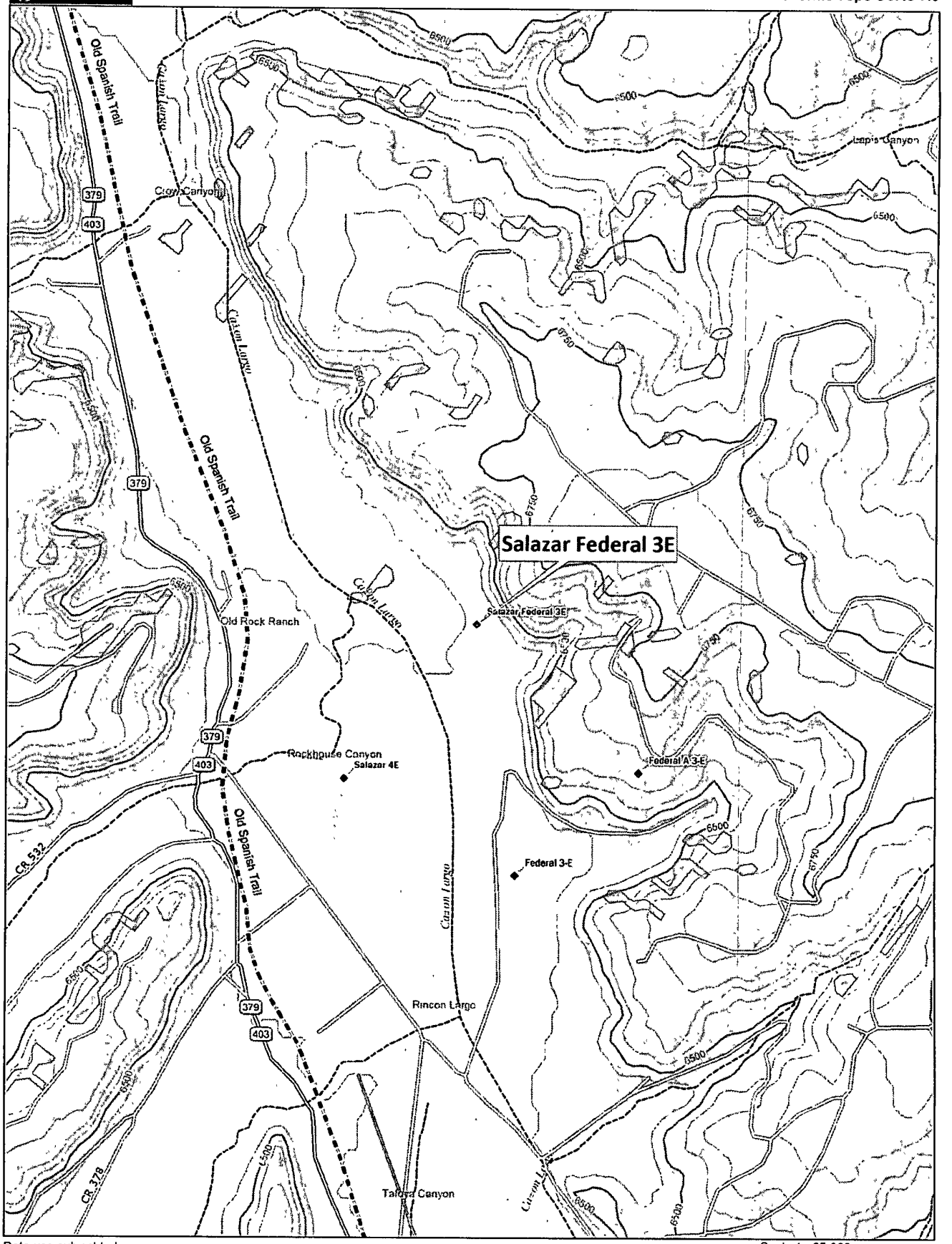
AVERAGE DEPTH OF WATER REPORT 09/04/2008

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

No Records found, try again

DeLORME

DeLorme Topo USA® 7.0



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www delorme com

TN

MN (10 0°E)

Scale 1 25,000

1" = 2,083 3 ft

Data Zoom 13-0

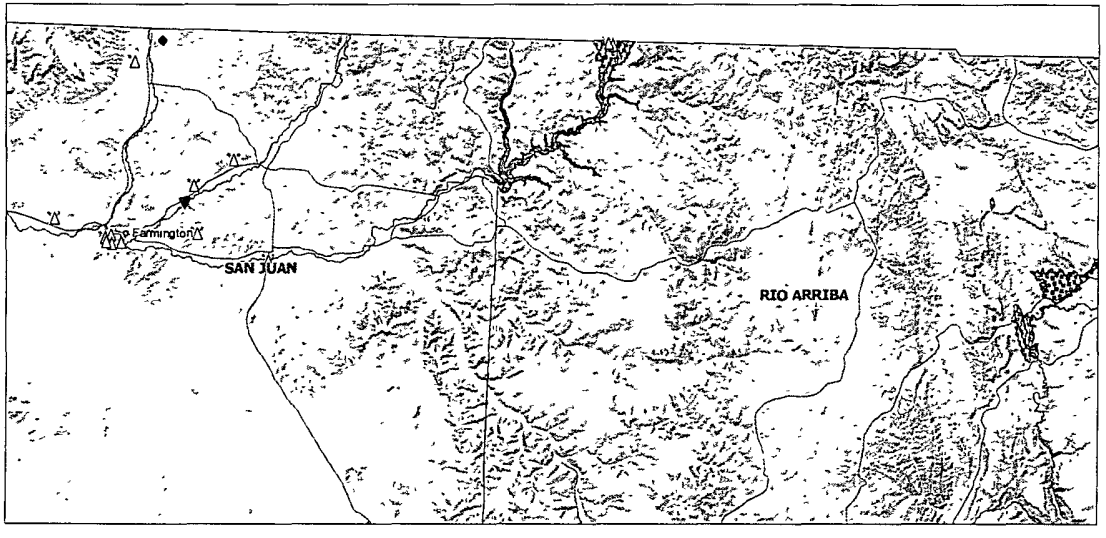
San Juan Basin Mines

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

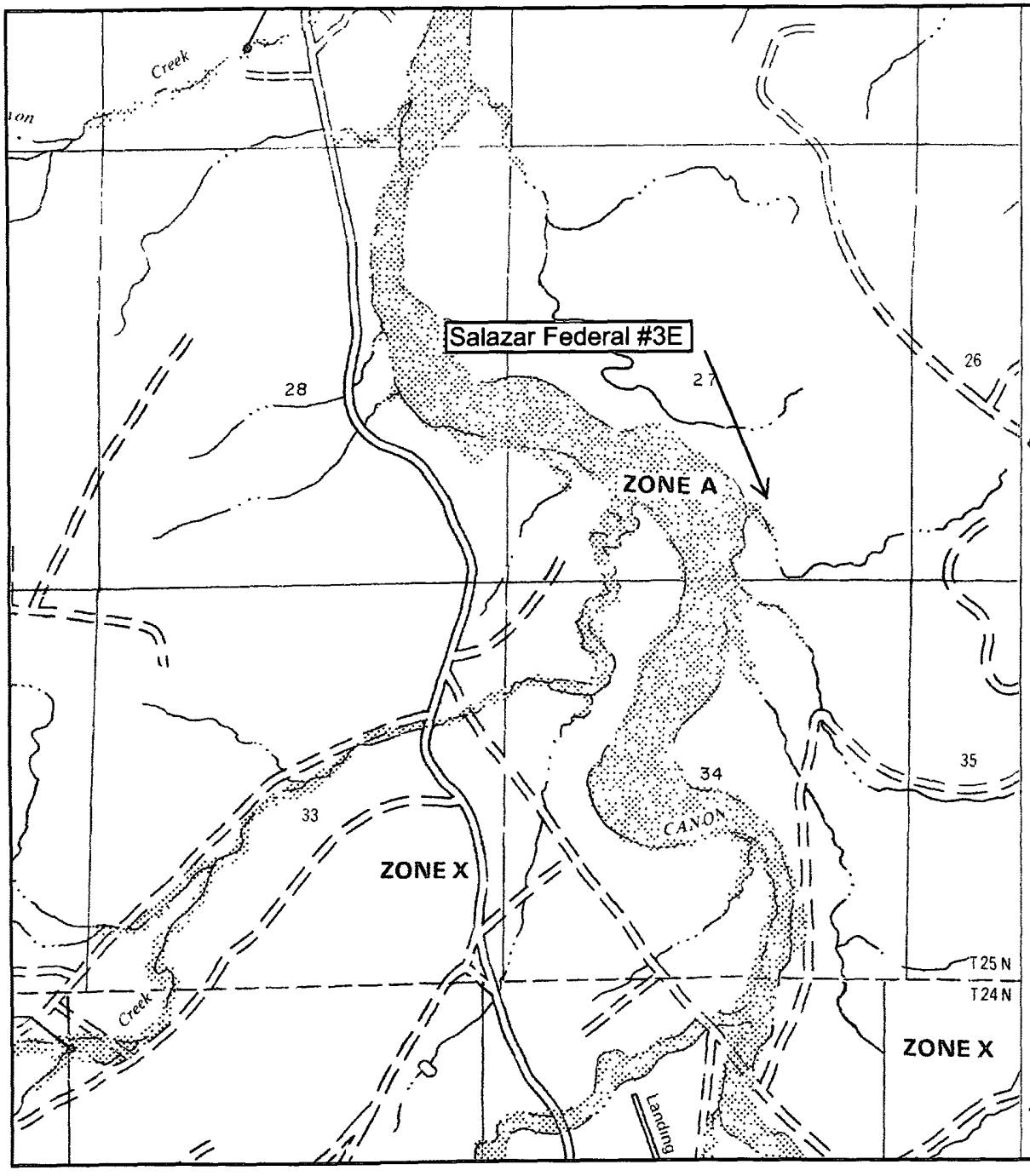


SCALE 1 : 1,041,908

10 0 10 20 30

MILES

N



APPROXIMATE SCALE

2000 0 2000 FEET

NATIONAL FLOOD INSURANCE PROGRAM

FIRM

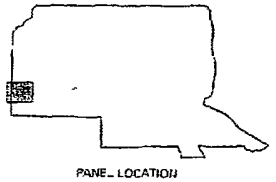
FLOOD INSURANCE RATE MAP

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

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 is Kimbell Oil Company of Texas standard procedure for all BGTs. A separate plan will be submitted for any BGT that Kimbell Oil Company of Texas possesses, which does not conform to this particular plan.

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.

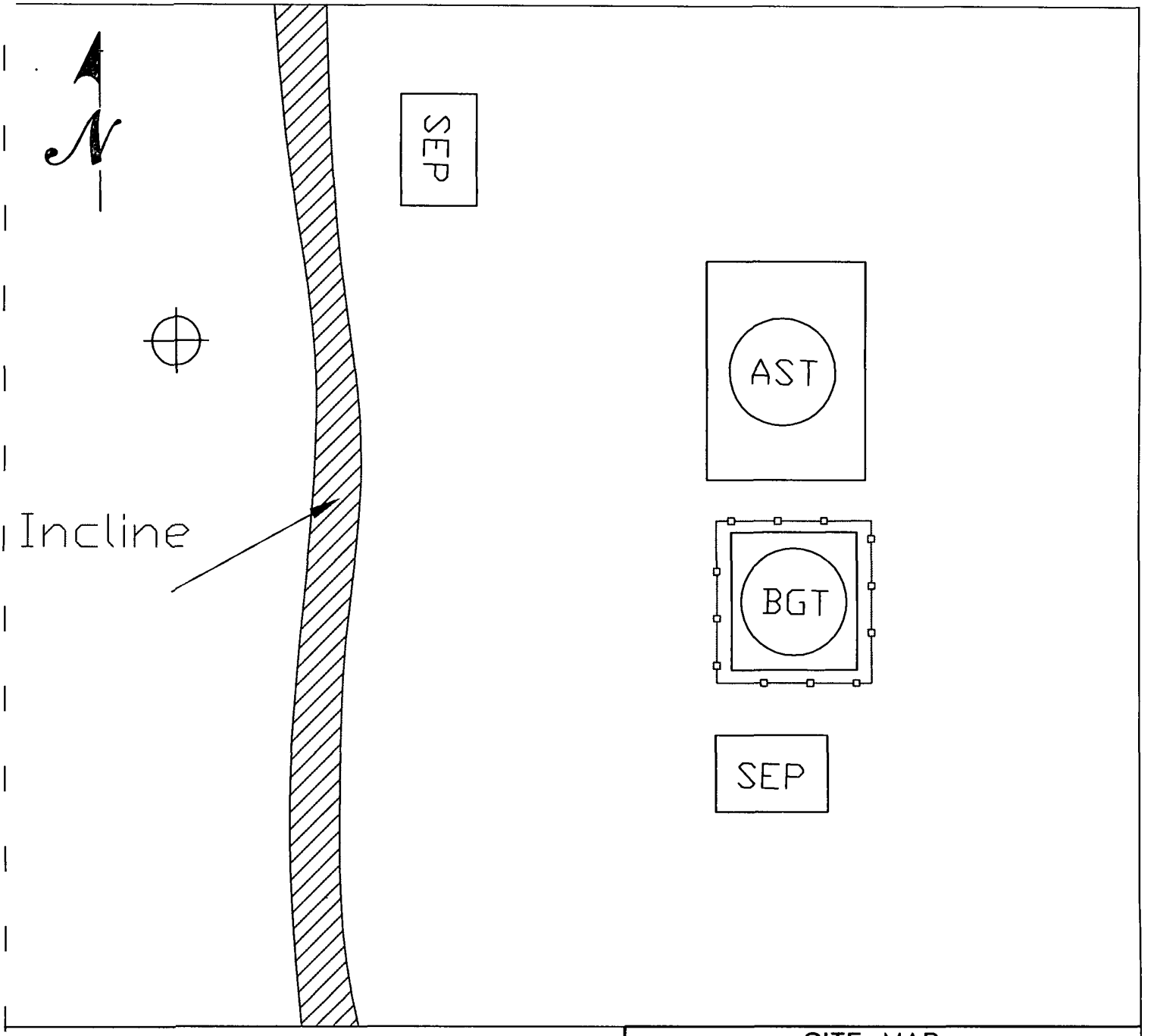
5. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall maintain adequate freeboard to prevent overtopping of the BGT.

6. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall perform upgrades on the BGT in order to bring it to compliance with Rule 19.15.17.

7. Kimbell Oil Company of Texas, or a contractor representing Kimbell Oil Company of Texas, shall maintain an expanded metal covering on the BGT.

Figure A, Site Map

Figure B, Design Plan



LEGEND

Field Fencing

Berm

Well Head

SITE MAP
KIMBELL OIL COMPANY OF TEXAS
SALAZAR FEDERAL #3E
SEC 27 TWN 25N RGE 6W
RIO ARRIBA COUNTY, NEW MEXICO

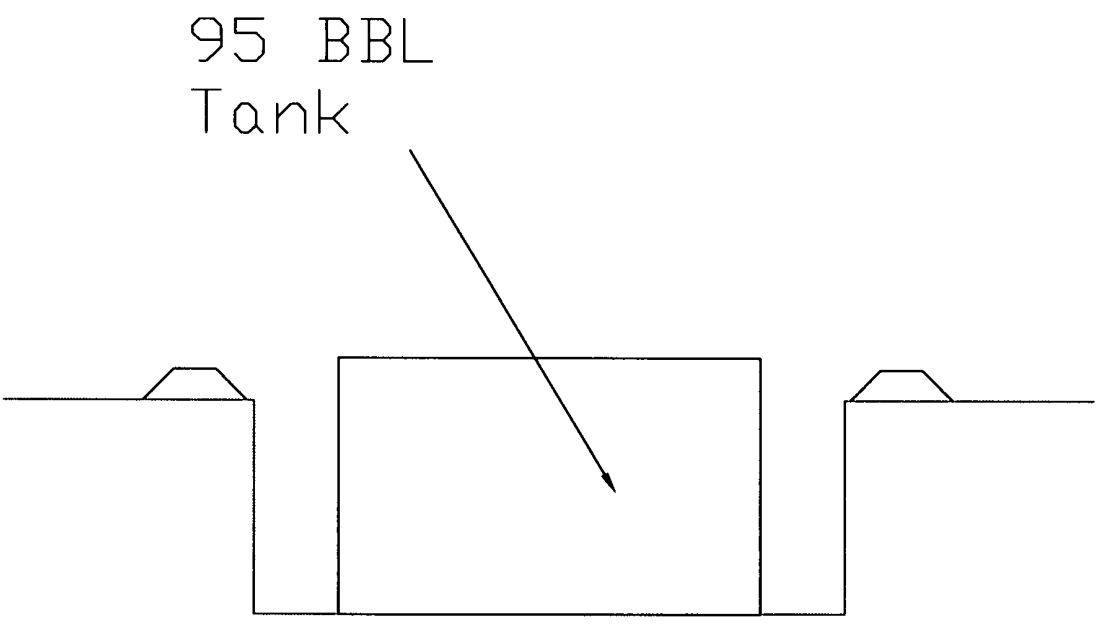
SCALE: NTS	FIGURE NO. A	REV
PROJECT N006011-0009		

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



*Berm completed around BGT

LEGEND

Berm

DESIGN PLAN
KIMBELL OIL COMPANY OF TEXAS
SALAZAR FEDERAL #3E
SEC 27 TWN 25N RGE 6W
RIO ARRIBA COUNTY, NEW MEXICO

SCALE: NTS	FIGURE NO. B	REV
PROJECT NOD6011-0009		

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 FEDERAL #3E
UNIT LETTER O, SECTION 27, TOWNSHIP 25N, RANGE 6W
RIO ARRIBA COUNTY, NEW MEXICO
LATITUDE N 36.365940 LONGITUDE W 107.451366

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 FEDERAL #3E
RIO ARRIBA COUNTY, NEW MEXICO

TABLE OF CONTENTS

INTRODUCTION

Kimbell Oil Company of Texas is submitting this closure plan for the below grade tank (BGT) at the Salazar Federal #3E located in the SW ¼ SE ¼ of Section 27, 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 Federal #3E 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