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

Printed Name/Title

State of New Mexico Energy Minerals and Natural Resources

appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe

Oil Conservation Division appropriate St. Francis Dr.

For drilling and production facilities, submit to

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure Is pit or below-grade tank covered by a "general plan"? Yes No X

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank X Signal C Operator: McElvain Oil & Gas Properties, Inc. Telephone: 505-632-3869 e-mail address: pmci@acs-online.net Address: 1050 17th Street, Suite 1800 Denver, CO 80265-1801 Facility or well name: PRI No. 2 Latitude 36° 44' 08" Longitude 108° 03'17" NAD: 1927 X 1983 County: San Juan Surface Owner: Federal X State Private Indian Below-grade tank Pit Type: Drilling X Production Disposal Volume: bbl Type of fluid: Workover ☐ Emergency ☐ Construction material: Lined X Unlined Double-walled, with leak detection? Yes If not, explain why not. Liner type: SyntheticX Thickness 12 mil Clay Pit Volume 2280 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 50 feet or more, but less than 100 feet (10 points) high water elevation of ground water.) 100 feet or more (0 points) X Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic Nο (0 points) X water source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) X Ranking Score (Total Points) 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 X offsite I 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 X 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: Propose to close the drilling pit on this location using the following closure plan. No discharge to the environment occurred during the drilling of this well. Fresh water (<9.5 ppg) was used during the drilling operation. 1) All free liquid will be hauled to a commercial disposal facility. 2) All trash will be removed from the pit surface and disposed of in Waste Managements landfill. 3) Residual mud solids and cuttings will be buried in place and encapsulated in accordance with Section IV,B.2 of Rule 50, 4) Pit will be filled with soil to a minimum of 6 Inches above graded ground level and topsoil placed on top of this bermed area. 5) Pit area will be reclaimed and seeded in accordance with BLM stipulations. This plan will be implemented as soon as this plan is approved. 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 X, a general permit _, or an (attached) alternative OCD-approved plan _. Date: June 30, 2005 Printed Name/Title Robert E. Fielder / Agent Signature Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations. JUL - 1 2005 REPUTY OIL & GAS INSPECTOR, DIST. (20) Approval: