

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

State of New Mexico  
Energy Minerals and Natural Resources

Form C-144  
June 1, 2004

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

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: XTO ENERGY INC. Telephone: (505)-324-1090 e-mail address: \_\_\_\_\_  
Address: 2700 FARMINGTON AVE. BLDG. K. SUITE 1. FARMINGTON. NM 87401  
Facility or well name: KELLY, L.C. #3 API #: 30-045- 09934 U/L or Qtr/Qtr F Sec 4 T 30N R 12W  
County: SAN JUAN Latitude 36.84337 Longitude 108.10687 NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

**Pit**

Type: Drilling ☐ Production ☐ Disposal ☒ SEPARATOR/BLOW  
Workover ☐ Emergency ☐  
Lined ☒ Unlined ☐ STEEL TANK  
Liner type: Synthetic ☐ Thickness \_\_\_\_\_ mil Clay ☐  
Pit Volume \_\_\_\_\_ bbl

**Below-grade tank**

Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_  
Construction material: NA  
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                         | (20 points) |          |
|   | 50 feet or more, but less than 100 feet   | (10 points) | <b>0</b> |
|   | 100 feet or more                          | ( 0 points) |          |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)       | Yes                                       | (20 points) |          |
|   | No  | ( 0 points) | <b>0</b> |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet                        | (20 points) |          |
|   | 200 feet or more, but less than 1000 feet | (10 points) | <b>0</b> |
|   | 1000 feet or more                         | ( 0 points) |          |
| Ranking Score (Total Points)  |   |             | <b>0</b> |

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 you 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: PIT LOCATED APPROXIMATELY 90 FT. S7W FROM WELL HEAD.  
PIT EXCAVATION: WIDTH NA ft., LENGTH NA ft., DEPTH NA ft.  
PIT REMEDIATION: CLOSE AS IS: ☒, LANDFARM: ☐, COMPOST: ☐, STOCKPILE: ☐, OTHER ☐ (explain)  
Cubic yards: NA  
NO TPH ANALYSIS WAS CONDUCTED.

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 alternative OCD-approved plan ☒.

Date: 5/05/05

Printed Name/Title Jeff Blagg - P.E. # 11607


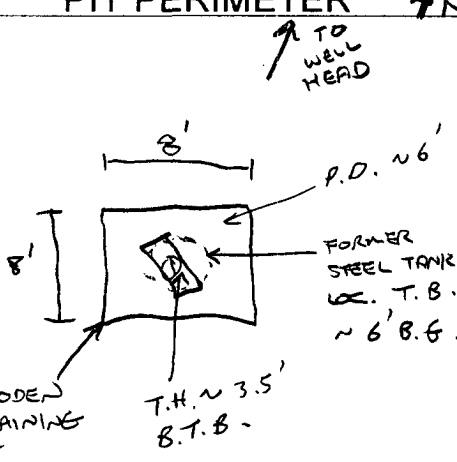
Signature Jeff Blagg

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: DEPUTY OIL & GAS INSPECTOR, DIST. 4

Printed Name/Title \_\_\_\_\_ Signature Jenny Fein

Date: MAY 27 2006

| CLIENT: <u>XTO</u>  | <b>BLAGG ENGINEERING, INC.</b><br><b>P.O. BOX 87, BLOOMFIELD, NM 87413</b><br><b>(505) 632-1199</b> | LOCATION NO: <u>CT172</u><br>COCR NO: <u>—</u>  |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| <b>FIELD REPORT: PIT CLOSURE VERIFICATION</b>   |   | PAGE No: <u>1</u> of <u>1</u>   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LOCATION: NAME: <u>KELLY, L.C.</u> WELL #: <u>3</u> TYPE: <u>SEP./BLOW</u><br>QUAD/UNIT: <u>F</u> SEC: <u>4</u> TWP: <u>30N</u> RNG: <u>12W</u> PM: <u>NM</u> CNTY: <u>SJ</u> ST: <u>NM</u><br>QTR/FOOTAGE: <u>1850'N/1500'W</u> <u>SE1/4W</u> CONTRACTOR: <u>HDI (HEBER)</u>   |   | DATE STARTED: <u>5/5/05</u><br>DATE FINISHED: <u>—</u><br>ENVIRONMENTAL SPECIALIST: <u>NV</u> |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| EXCAVATION APPROX. <u>NA</u> FT. x <u>NA</u> FT. x <u>NA</u> FT. DEEP. CUBIC YARDAGE: <u>NA</u><br>DISPOSAL FACILITY: <u>ON-SITE</u> REMEDIATION METHOD: <u>CLOSE AS IS</u><br>LAND USE: <u>RANGE - BLM</u> LEASE: <u>SF 081239</u> FORMATION: <u>GP</u>  |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| <b>FIELD NOTES &amp; REMARKS:</b> PIT LOCATED APPROXIMATELY <u>90</u> FT. <u>S7W</u> FROM WELLHEAD.<br>DEPTH TO GROUNDWATER: <u>&gt;100'</u> NEAREST WATER SOURCE: <u>&gt;1000'</u> NEAREST SURFACE WATER: <u>&gt;1000'</u><br>NMOCD RANKING SCORE: <u>0</u> NMOCD TPH CLOSURE STD: <u>5000</u> PPM   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| <b>SOIL AND EXCAVATION DESCRIPTION:</b> <u>ELEV. - 5388'</u><br>SOIL TYPE: <u>(SAND)</u> / SILTY SAND / SILT / SILTY CLAY / CLAY / GRAVEL / OTHER <u>—</u><br>SOIL COLOR: <u>OK. YELL. ORANGE</u><br>COHESION (ALL OTHERS): <u>(NON COHESIVE)</u> / SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE<br>CONSISTENCY (NON COHESIVE SOILS): <u>(LOOSE)</u> / <u>(FIRM)</u> DENSE / VERY DENSE<br>PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC<br>DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD<br>MOISTURE: DRY / <u>(SLIGHTLY MOIST)</u> / MOIST / WET / SATURATED / SUPER SATURATED<br>DISCOLORATION/STAINING OBSERVED: YES / <u>(NO)</u> EXPLANATION - <u>—</u><br>HC ODOR DETECTED: YES / <u>(NO)</u> EXPLANATION - <u>—</u><br>SAMPLE TYPE: <u>(GRAB)</u> COMPOSITE - # OF PTS. <u>—</u><br>ADDITIONAL COMMENTS: <u>NO TPH ANALYSIS WAS CONDUCTED.</u>  |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <b>SCALE</b><br/> <br/>         0 FT       </div> <div style="width: 50%;"> <b>FIELD 418.1 CALCULATIONS</b><br/> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMP. TIME</th> <th>SAMP. ID</th> <th>LAB NO.</th> <th>WEIGHT (g)</th> <th>mL FREON</th> <th>DILUTION</th> <th>READING</th> <th>CALC. (ppm)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> </div> </div>   |   |   | SAMP. TIME | SAMP. ID              | LAB NO.  | WEIGHT (g) | mL FREON    | DILUTION | READING | CALC. (ppm) |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <b>PIT PERIMETER</b><br/>  </div> <div style="width: 50%;"> <b>OVM READING</b><br/> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>FIELD HEADSPACE (ppm)</th> </tr> </thead> <tbody> <tr><td>1 @ 9.5'</td><td>0.0</td></tr> <tr><td>2 @</td><td> </td></tr> <tr><td>3 @</td><td> </td></tr> <tr><td>4 @</td><td> </td></tr> <tr><td>5 @</td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table> <br/> <b>LAB SAMPLES</b><br/> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>ANALYSIS</th> <th>TIME</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table> </div> </div> |   |   | SAMPLE ID  | FIELD HEADSPACE (ppm) | 1 @ 9.5' | 0.0        | 2 @         |          | 3 @     |             | 4 @ |  | 5 @ |  |  |  |  |  |  |  |  |  |  |  | SAMPLE ID | ANALYSIS | TIME |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| SAMPLE ID   | FIELD HEADSPACE (ppm)   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1 @ 9.5'  | 0.0   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 2 @   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3 @   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4 @   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 5 @   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| SAMPLE ID   | ANALYSIS  | TIME  |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| <b>PIT PROFILE</b><br><div style="text-align: center; font-size: 2em;">NOT APPLICABLE</div>   |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| TRAVEL NOTES: CALLOUT: <u>5/5/05-MORN.</u> ONSITE: <u>5/5/05-MORN.</u>  |   |   |            |                       |          |            |             |          |         |             |     |  |     |  |  |  |  |  |  |  |  |  |  |  |           |          |      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |