District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Annia, NM 88210
District III
1000 Rio Beazos Road, Azir IIII
District IV
1220 S. St. Francis Dr., Sanfa R.

State of New Mexico Energy Minerals and Natural Resources

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 Sants Fo

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 \(\subseteq \) No \(\subseteq \)

AUG 22 2007 Type of action: Registration of a pit or below-goade tank [] Closure of a pit or below-gra Todaphone: 505-608-34470-mail address: dorse 1 coas SPARTERIA Operator: (Pomorex Enorgy Address: 7101 Dornes Rd. Cortsbood n.m.T 259R 256 API #:30-015- 35559 U/L or Qir/Qtr C Facility or well name: Howar St. Com +L1 Latitude 32° - 9' - 52.6" N Langitude 104° - 32'-07.7" NAD: 1927 [] 1983 [] County: Eddy Co Surface Owner: Federal | State | Private | Indian | Below-grade tank Type: Drilling Production Disposal bbl Type of fla Lined | Unlined Liner type: Synthetic & Thickness 12 mil Clay Pit Volume / 500 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.) 300' bgs 100 feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic No (Opoints) 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 ephomeral watercourses.) 1000 first or more (0 points) 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 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 🗹 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 excavati Additional Comments: 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 [7], a general permit [7], or an (attached) alternative OCD-approved plan [7]. of the pit or tank contaminate ground water or c operator of liability should the cou otherwise endanger public health or the environment. Nor does it reliefe the operator of its responsibility for compliance with my other federal, state, or local laws and/or regulations. Signed By Mile Bessessen Date: AUG 2 3 2007 Approval: Printed Name/Title

Notify OCD 24 hours prior to beginning closure.

Approved for attached plan-





PHOENIX ENVIRONMENTAL LLC

P.O. Box 1856

2113 French Dr.

Hobbs, NM 88241-1856

Office 505-391-9685

Fax 505-391-9687

August 21, 2007

Cimarex Energy Co. 207 S. Mesa Carlsbad, New Mexico 88220

Attn: Mr. Dorsey Rogers

Drilling Superintendent

RE: Work Plan and Cost to Clean Up the Homer St Com # 1 Drill Cutting Drying Pad Located in UL C Sec 2, T25S and R25E of Eddy County, New Mexico API # 30-015-35559

Dear Mr. Rogers:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Cemarex Energy, for the opportunity to provide our professional services. Please find attached our work plan and cost for the above listed site.

If you have any questions and/or need more data in regards to projects please call at any time. My cell phone is 505-631-8314.

Sincerely,

Allen Hodge, REM VP Operations

Phoenix Environmental LLC



Summary/Overview

The Homer St Com # 1 Drill Cutting Drying Pad site should be completed and remediated in accordance with the standards of the NMOCD. It is our understanding that any potential contamination from the site was a result of activities associated with the drilling and production of oil and gas.

The potential contaminates of concern are mid to high-level concentrations of drilling mud and cuttings that were left after drilling operations were completed.

The lands primary use is domestic pasture for ranching and the production of oil and gas.

The ground water depth data available for this area showed the depth to ground water to be in the 300' range BGS.

Pursuant to the standards of the NMOCD, the clean up level for this site will be at <5,000ppm of TPH, <50ppm for BTEX and Chlorides less than <250ppm.

The following scope of work was based on data from our site visit and the requirements of the NMOCD for site clean up.

Scope of Work for Entombment of Impacted Soils

NOTE: Phoenix, for the purpose of this work plan, will estimate that there is approximately 1,500cyds of impacted cuttings and caliche from the drying pad at the site that needs to be addressed for site closure.

- 1. First Phoenix will call One-Call for line spot clearance before any excavation at the site is started.
- 2. Phoenix will mobilize to the site located southwest of White city, NM equipment and personnel necessary to start and complete the site remediation as required, getting the site back into compliance.
- 3. First the site will be cleared of brush and debris and a staging area set up for site control and safety.



- 4. Phoenix will move the stockpile of soils on the side of the drying pad back to allow room to excavate the tomb to hold the contents of the drying pad. While leaving the top of the impacted soils at a minimum of three feet below grade, the size of the tomb will need to be 125x25x20 and will yield an estimated 2,315cyds of total material and will hold an estimated 1,500cyds of impacted soils.
- 5. Once the tomb area has been excavated it will be lined with 20mil HDPE bottom and a 20mil sewn on top above the impacted soils before backfilling.
- 6. Impacted soils at the site will then be transported and placed in the lined tomb area until the top of the impacted soils are at a minimum of three feet below grade.
- 7. Phoenix will field screen the site during the excavation and once the TPH and CL has dropped below clean up requirements final samples will be taken and sent to a third party lab for analysis.
- 8. Once all of the remediation criteria have been met for site closure and compliance, the site will be backfilled with clean material from the site. The site will be contoured with a slight crown to prevent the ponding of any water and reseeded.
- Once all of the closure criteria have been met, a final closure report will be prepared by Phoenix. This report will include a summary of remediation operations, findings on-site and lab analysis, site maps and project photos.

