

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

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 ☒

AUG 27 2007

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

OCD-ARTESIA

Operator: <u>Jalapeno Corporation</u> Telephone: <u>505-242-2050</u> e-mail address: <u>personnel3@msn.com</u>		
Address: <u>P.O. Box 1608, Albuquerque, NM 87103</u>		
Facility or well name: <u>Scrounger State #2</u> API #: <u>30-005-63827</u> U/L or Qtr/Qtr <u>A</u> Sec <u>13</u> T <u>9-S</u> R <u>27-E</u>		
County: <u>Chaves</u> Latitude <u>33° 32' 14.69" N</u> Longitude <u>104° 08' 18.86" W</u> NAD: 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>5600</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 280ft.	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more XX	(20 points) (10 points) ( 0 points) <u>10</u>
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 XX	(20 points) ( 0 points) <u>0</u>
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 XX	(20 points) (10 points) ( 0 points) <u>0</u>
Ranking Score (Total Points)		<u>10/10</u>

**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: **The 12 mil plastic will be folded over the top and on top of that 20 mil will be placed. Then 3 feet of stockpiled dirt will be placed on top of the 20 mil and the dirt will be reseeded. Because of the depth of the surface water, it is our understanding that no soil samples are required.**

Salt section encountered?  
7.5 ppg Drilling Fluid?

**Please provide current actual depth to groundwater at this site or submit an alternative closure plan.**

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: 8/24/07

Printed Name/Title: Harvey E. Yates, Jr. - President

Signature: Jalapeno Corporation by: [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.

Approval:

Printed Name/Title

**DENIED**

Signature

Date:

AUG 30 2007