

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

Form C-144  
June 1, 2004

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 <u>Bold Energy LP</u> Telephone: <u>432-686-1100</u> e-mail address: _____							
Address: <u>4500 Wall Ste 500 Midland Texas 79701</u>							
Facility or well name <u>Esperanza 24 #1</u> API # <u>30-015-34205</u> U/L or Qtr/Qtr <u>F</u> Sec <u>24</u> T <u>22S</u> R <u>24E</u>							
County: <u>Eddy Co</u> Latitude <u>32°-22'-48.9"N</u> Longitude <u>104°-14'-54.1"W</u> NAD 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/>							
Surface Owner Federal <input checked="" type="checkbox"/> State <input 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 type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>2500</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid <u>N/A</u> Construction material: <u>N/A</u> 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.) <u>95 bgs</u>	<table border="1"><tr><td>Less than 50 feet</td><td>(20 points)</td></tr><tr><td>50 feet or more, but less than 100 feet</td><td>(10 points)</td></tr><tr><td>100 feet or more</td><td>(0 points)</td></tr></table>	Less than 50 feet	(20 points)	50 feet or more, but less than 100 feet	(10 points)	100 feet or more	(0 points)
Less than 50 feet	(20 points)						
50 feet or more, but less than 100 feet	(10 points)						
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.)	<table border="1"><tr><td>Yes</td><td>(20 points)</td></tr><tr><td>No</td><td>(0 points)</td></tr></table>	Yes	(20 points)	No	(0 points)		
Yes	(20 points)						
No	(0 points)						
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses) <u>GRAVEL PIT</u>	<table border="1"><tr><td>Less than 200 feet</td><td>(20 points)</td></tr><tr><td>200 feet or more, but less than 1000 feet</td><td>(10 points)</td></tr><tr><td>1000 feet or more</td><td>(0 points)</td></tr></table>	Less than 200 feet	(20 points)	200 feet or more, but less than 1000 feet	(10 points)	1000 feet or more	(0 points)
Less than 200 feet	(20 points)						
200 feet or more, but less than 1000 feet	(10 points)						
1000 feet or more	(0 points)						
Ranking Score (Total Points) <u>50</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:
<u>See attached work plan</u>
<u>SITE LOCATED IN GRAVEL PIT</u>

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: 9-25-07  
Printed Name/Title: Denny Money Pres. Dept. Signature: [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: **DENIED** Signature: **DENIED** Date: OCT 22 2007

DENIED FOR TRENCH BURIAL



# PHOENIX ENVIRONMENTAL LLC

P.O. Box 1856

2113 French Dr.

Hobbs, NM 88241-1856

Office 505-391-9685

Fax 505-391-9687

September 25, 2007

Bold Energy, LP  
415 W. Wall, Ste. 500  
Midland, Texas 79701

Attn: Mr. Shannon Klier  
Operations Engineering Manager

**RE: Work Plan and Cost to Clean Up the Esperanza 24-1 Drilling Pit  
Located in UL-F, Sec 24, T22S and R26E of Eddy County, New Mexico  
API # 30-015-34205**

Dear Mr. Klier:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Bold 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 Esperanza 24-1 Drilling Pit 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 contaminants 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 95' range BGS.

Pursuant to the standards of the NMOCD, the clean up level for this site will be at <100ppm 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 2,500cyds of impacted cuttings and drilling mud at the site that needs to be addressed for site closure.

**NOTE:** The pit well site is located less than <1,000 feet to the east of a house. This should not be a problem but will need approval from the NMOCD for on-site burial.

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 west of Carlsbad, NM equipment and personnel necessary to start and complete the site remediation as required, getting the site back into compliance.
3. The site will be cleared of brush and debris and a staging area set up for site control and safety.



4. Phoenix will excavate on the south side of the drilling pit the tomb to hold the contents of the drilling pit. 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 150x30x20 and will yield an estimated 3,334cyds of total material and will hold an estimated 2,800cyds of impacted soils.
5. Once the tomb area has been excavated it will be lined with 12mil HDPE bottom and a 20mil sewn on top above the impacted soils before backfilling
6. Impacted soils at the site will then be 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.
9. 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.

If you have any questions and/or need more data in regards to this project please call 505-631-8314 at any time.

Sincerely,



Allen Hodge, REM  
VP Operations  
Phoenix Environmental LLC



**New Mexico Office of the State Engineer  
POD Reports and Downloads**

Township:  Range:  Sections:

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

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**AVERAGE DEPTH OF WATER REPORT 10/19/2007**

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
C	22S	26E	01				6	21	48	39
C	22S	26E	02				9	43	154	80
C	22S	26E	03				22	20	160	104
C	22S	26E	04				11	80	180	140
C	22S	26E	07				1	250	250	250
C	22S	26E	10				2	90	95	93
C	22S	26E	11				71	11	108	59
C	22S	26E	12				33	14	60	39
C	22S	26E	13				90	18	203	58
C	22S	26E	14				52	20	165	73
C	22S	26E	20				2	220	256	238
C	22S	26E	22				2	76	90	83
C	22S	26E	23				39	45	135	86
C	22S	26E	24				5	27	94	70
C	22S	26E	25				48	45	250	114
C	22S	26E	26				4	15	120	77
C	22S	26E	27				3	96	367	201
C	22S	26E	28				1	187	187	187
C	22S	26E	30				1	150	150	150
C	22S	26E	35				1	57	57	57
C	22S	26E	36				1	115	115	115
FS	22S	26E	11				1	66	66	66

Record Count: 405

New Mexico Office of the State Engineer  
POD Reports and Downloads

Township: 22S    Range: 26E    Sections: 24

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

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Clear Form

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POD / SURFACE DATA REPORT 10/19/2007																										
(acre ft per annum)				(quarters are 1=NW 2=NE 3=SW 4=SE)												(quarters are biggest to smallest)		X Y are in Feet		UTM are in Meters)			Start	Finish	Depth	Depth (in feet)
DB File Nbr	Use	Diversi	Owner	POD Number	Source	Tws	Rng	Sec	q	q	q	Zone	X	Y	UTM Zone	Easting	Northing	Date	Date	Well	Water					
C 00059	IRR	0	PEVELER H G	C 00059		22S	26E	24	2	4	2				13	571643	3582669									
C 00199	DOM	0	FRED D. NELSON	C 00199		22S	26E	24	3	3	2				13	570402	3581876			134						
C 00331	DOM	3	PEDRO B. FRANCO	C 00331	Shallow	22S	26E	24	3	4					13	570717	3581768		11/23/1955	160	76					
C 00490	STK	0	C.C. FOSTER	C 00490		22S	26E	24							13	570906	3582380									
C 00651	DOM	0	R.B. SMART	C 00651		22S	26E	24	3	4					13	570717	3581768	04/25/1955	05/08/1955	200						
C 00845	DOM	0	F.C. PRESLEY	C 00845		22S	26E	24							13	570906	3582380			150						
C 00972	DOM	3	F.C. PRESLEY	C 00972		22S	26E	24	3	4	1				13	570616	3581867									
C 01144	DOM	3	M.R. CALHOUN	C 01144		22S	26E	24	3						13	570504	3581978	08/29/1963	09/08/1963	134						
C 01269	DOM	3	WILLIAM L. & KATHY M. RENTNER	C 01269		22S	26E	24	3	1	4				13	570399	3582079	04/09/1984	04/14/1984	150						
C 01282	DOM	3	L.A. CARTER	C 01282		22S	26E	24	1	1					13	570296	3582987									
C 01425	DOM	3	JACK L. INGRAM	C 01425		22S	26E	24	3	3	3				13	570202	3581676	04/14/1970	04/16/1970	142						
C 01471	DOM	3	M.F. ROSE	C 01471	Shallow	22S	26E	24	3	3	3				13	570202	3581676	04/10/1972	07/01/1972	120	75					
C 01911	DOM	0	JACK L. INGRAM	C 01911		22S	26E	24	3						13	570504	3581978			160						
C 01939	DOM	3	OLIVER G. SMART	C 01939	Shallow	22S	26E	24	3						13	570504	3581978	01/26/1981	11/25/1981	120	80					
C 03156	DOM	0	MERLAND INC	C 03156	Shallow	22S	26E	24	4	1	2				13	571230	3582266	02/15/2006	02/27/2006	170	94					
C 03295	DOM	3	DAVID ROBINSON	C 03295 POD1	Shallow	22S	26E	24	3	4	1							08/12/2006	09/06/2006	100	27					
Record Count: 16																										

Record Count: 16

# RBDMS Map



Bold Energy Esperanza 24 001

mbratcher

10/19/2007 2:10:39 PM



Oil Conservation Division