

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

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

Form C-144  
June 1, 2004

Pit or Below-Grade Tank Registration or Closure

APR - 1 2008

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 ☒

OCD-ARTESIA

Operator: <u>Encore Acquisition Corp</u> Telephone: <u>432-362-2054</u> E-mail address: <u>Croberts@encoreacq.com</u>	
Address: <u>2626 JBS Parkway, Odessa TX 79762</u>	
Facility or well name: <u>Encore 31 Avalon #1</u> API #: <u>30-015-36714</u> U/E or Qtr/Qtr Sec <u>31</u> T <u>20a</u> R <u>28e</u>	
County: <u>Eldorado Co.</u> Latitude <u>N32°32' 06.5"</u> Longitude <u>104° 12' 46"</u> NAD: 1927 <input 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 checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ 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.)	Less than 50 feet (20 points) <u>35' to water</u> 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) <u>20p</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 (20 points) No (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 (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) <u>0</u>
Ranking Score (Total Points) <u>20 points</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 CRI (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: We will haul all cutting and contaminated soils to CRI for disposal then we will sample and once we are one 250 p above back ground we will take samples to an approved lab and once approved to backfill we will go on. If additional Backfill is needed we will haul it in to make sure we have enough to cover the pit area

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 4/1/08

Printed Name/Title

Rennie N. Hawkins

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.

Signature

Signed By Mike Brannon

Date APR 01 2008

Accepted for record  
NMOCD

JUL 09 2008

5/20/08

Final Closure

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses provided to OCD prior to backfilling pit.

# TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9  
200 East Sunset Road, Suite E  
5002 Basin Street, Suite A1  
8808 Camp Bowie Blvd West, Suite 180

Lubbock, Texas 79424 800•378•1296  
El Paso, Texas 79922 888•588•3443  
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Ft Worth, Texas 76116  
E-Mail lab@traceanalysis.com

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915•585•3443 FAX 915•585•4944  
432•689•6301 FAX 432•689•6313  
817•201•5260 FAX 817•560•4336

## Analytical and Quality Control Report

Chris Busby  
SB Oil Field Serv.  
P.O. Box 1502  
Carlsbad, NM, 88221-1502

Report Date: May 23, 2008

Work Order: 8052202




Project Location: Sec. 31-T20S, R28E, Eddy Co., NM  
Project Name: Encore 31 Avalon #1  
Project Number: API 30-015-35714

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
160771	007 E Leg 12'	soil	2008-05-16	15:00	2008-05-21
160772	008 N Leg 15'	soil	2008-05-16	16:00	2008-05-21
160773	009 W Leg 15'	soil	2008-05-16	05:00	2008-05-21
160774	010 Inside Leg 12'	soil	2008-05-16	06:00	2008-05-21
160775	011 Inside Leg 12'	soil	2008-05-16	07:00	2008-05-21
160776	012 Background	soil	2008-05-16	07:30	2008-05-21

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 6 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

  
Dr. Blair Leftwich, Director

### Certifications

Lubbock - NELAP T104704219-08-TX  
El Paso - NELAP T104704221-08-TX

### Standard Flags

**B** - The sample contains less than ten times the concentration found in the method blank.

## Case Narrative

Samples for project Encore 31 Avalon #1 were received by TraceAnalysis, Inc. on 2008-05-21 and assigned to work order 8052202. Samples for work order 8052202 were received intact at a temperature of 3.6 deg C.

Samples were analyzed for the following tests using their respective methods.

Test	Method
Chloride (Titration)	SM 4500-Cl B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring; however, it may not pertain to the samples for work order 8052202 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Report Date: May 23, 2008  
API 30-015-35714

Work Order: 8052202  
Encore 31 Avalon #1

Page Number: 3 of 6  
Sec. 31-T20S, R28E, Eddy Co., NM

## Analytical Report

### Sample: 160771 - 007 E Leg 12'

Laboratory:	Lubbock	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
Analysis:	Chloride (Titration)	Date Analyzed:	2008-05-23	Analyzed By:	RG
QC Batch:	48723	Sample Preparation:	2008-05-23	Prepared By:	RG
Prep Batch:	41878				

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>96.3</b>	mg/Kg	10	3.25

### Sample: 160772 - 008 N Leg 15'

Laboratory:	Lubbock	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
Analysis:	Chloride (Titration)	Date Analyzed:	2008-05-23	Analyzed By:	RG
QC Batch:	48723	Sample Preparation:	2008-05-23	Prepared By:	RG
Prep Batch:	41878				

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>285</b>	mg/Kg	10	3.25

### Sample: 160773 - 009 W Leg 15'

Laboratory:	Lubbock	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
Analysis:	Chloride (Titration)	Date Analyzed:	2008-05-23	Analyzed By:	RG
QC Batch:	48723	Sample Preparation:	2008-05-23	Prepared By:	RG
Prep Batch:	41878				

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>114</b>	mg/Kg	10	3.25

### Sample: 160774 - 010 Inside Leg 12'

Laboratory:	Lubbock	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
Analysis:	Chloride (Titration)	Date Analyzed:	2008-05-23	Analyzed By:	RG
QC Batch:	48723	Sample Preparation:	2008-05-23	Prepared By:	RG
Prep Batch:	41878				

*continued ...*

Report Date: May 23, 2008  
API 30-015-35714

Work Order: 8052202  
Encore 31 Avalon #1

Page Number: 4 of 6  
Sec. 31-T20S, R28E, Eddy Co., NM

*sample 160774 continued ...*

Parameter	Flag	RL Result	Units	Dilution	RL
Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>106</b>	mg/Kg	10	3.25

**Sample: 160775 - 011 Inside Leg 12'**

Laboratory: Lubbock  
Analysis: Chloride (Titration)      Analytical Method: SM 4500-Cl B      Prep Method: N/A  
QC Batch: 48723      Date Analyzed: 2008-05-23      Analyzed By: RG  
Prep Batch: 41878      Sample Preparation: 2008-05-23      Prepared By: RG

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>135</b>	mg/Kg	10	3.25

**Sample: 160776 - 012 Background**

Laboratory: Lubbock  
Analysis: Chloride (Titration)      Analytical Method: SM 4500-Cl B      Prep Method: N/A  
QC Batch: 48723      Date Analyzed: 2008-05-23      Analyzed By: RG  
Prep Batch: 41878      Sample Preparation: 2008-05-23      Prepared By: RG

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>52.0</b>	mg/Kg	10	3.25

**Method Blank (1)**      QC Batch: 48723

QC Batch: 48723      Date Analyzed: 2008-05-23      Analyzed By: RG  
Prep Batch: 41878      QC Preparation: 2008-05-23      Prepared By: RG

Parameter	Flag	MDL Result	Units	RL
Chloride		<1.80	mg/Kg	3.25

Report Date: May 23, 2008  
API 30-015-35714

Work Order: 8052202  
Encore 31 Avalon #1

Page Number: 5 of 6  
Sec. 31-T20S, R28E, Eddy Co., NM

#### Laboratory Control Spike (LCS-1)

QC Batch: 48723  
Prep Batch: 41878

Date Analyzed: 2008-05-23  
QC Preparation: 2008-05-23

Analyzed By: RG  
Prepared By: RG

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	101	mg/Kg	1	100	<1.80	101	96.8 - 103

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	LCSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	102	mg/Kg	1	100	<1.80	102	96.8 - 103	1	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

#### Matrix Spike (MS-1) Spiked Sample: 160780

QC Batch: 48723  
Prep Batch: 41878

Date Analyzed: 2008-05-23  
QC Preparation: 2008-05-23

Analyzed By: RG  
Prepared By: RG

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	593	mg/Kg	10	500	69.36	105	76.4 - 123

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	578	mg/Kg	10	500	69.36	102	76.4 - 123	3	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

#### Standard (ICV-1)

QC Batch: 48723

Date Analyzed: 2008-05-23

Analyzed By: RG

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	98.6	99	85 - 115	2008-05-23

#### Standard (CCV-1)

QC Batch: 48723

Date Analyzed: 2008-05-23

Analyzed By: RG

Report Date: May 23, 2008  
API 30-015-35714

Work Order: 8052202  
Encore 31 Avalon #1

Page Number: 6 of 6  
Sec. 31-T20S, R28E, Eddy Co., NM

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Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	101	101	85 - 115	2008-05-23

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# TraceAnalysis, Inc.

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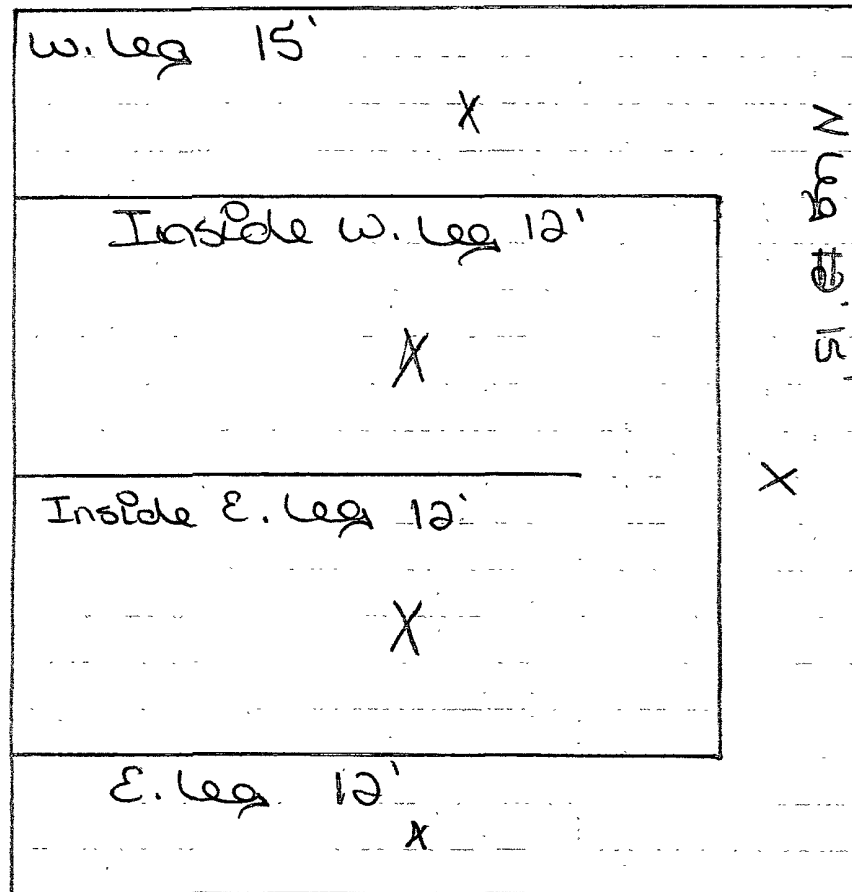
Company Name: <b>S.B. Oelfield Serv.</b>		Phone #: <b>575-706-5645</b>		<b>ANALYSIS REQUEST</b> (Circle or Specify Method No.)											
Address: (Street, City, Zip) <b>Box 1502 Carlsbad NM 88221</b>		Fax #: <b>575-628-0176</b>													
Contact Person: <b>Cris Busby</b>		E-mail: <b>crisbusby@gmail.com</b>		MTBE 8021B / 602 / 8260B / 624 BTEX 8021B / 602 / 8260B / 624 TPH 418.1 / TX1005 / TX1005 Ex(C35) TPH 8015 GRO / DRO / TVHC PAH 8270C / 625 Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/2007 TCLP Metals Ag As Ba Cd Cr Pb Se Hg TCLP Volatiles TCLP Semi Volatiles TCLP Pesticides RCI GC/MS Vol 8260B / 624 GC/MS Semi. Vol 8270C / 625 PCB's 8082 / 608 Pesticides 8081A / 608 BOD, TSS, pH Moisture Content											
Invoice to: <b>Same</b>		Project Name: <b>Encore #31 Avalon #1</b>													
Project #: <b>30-015-35714</b>		Project Location (Including state): <b>Sec 31 - T20S - R4E Eddy Co. N.M.</b>		Sampler Signature: <b>Cris Busby</b>											
LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX				PRESERVATIVE METHOD					SAMPLING		Turn Around Time if different from standard
				WATER	SOIL	AIR	SLUDGE	HCl	HNO <sub>3</sub>	H <sub>2</sub> SO <sub>4</sub>	NaOH	ICE	NONE	DATE	
160771	#007 E Leg 12'	1	40g	X						X			5/16	3:00	X X X X X X X X (24 hrs)
772	#008 N Leg 15'			X						X				11:00	
773	#009 W Leg 15'			X						X				3:00	
774	#010 Inside W Leg 12'			X						X				6:00	
775	#011 Inside E Leg 12'			X						X				7:00	
776	#012 Background			X						X				7:30	
Relinquished by: <b>Cris Busby SPO</b>		Company:	Date: <b>5/20/08</b>	Time: <b>2:30pm</b>	Received by: <b>Tracy</b>	Company:	Date: <b>5-20-08</b>	Time: <b>2:30pm</b>	Temp °C:	<b>LAB USE ONLY</b> Intact: <input checked="" type="checkbox"/> Y / <input type="checkbox"/> N Headspace: <input type="checkbox"/> Y / <input checked="" type="checkbox"/> N / <input type="checkbox"/> NA Log-in/Review: <input checked="" type="checkbox"/>		REMARKS: <input type="checkbox"/> Dry Weight Basis Required <input type="checkbox"/> TRRP Report Required <input type="checkbox"/> Check if Special Reporting Limits Are Needed			
Relinquished by: <b>Tracy</b>		Company:	Date: <b>5-21-08</b>	Time: <b>4:07</b>	Received by: <b>Tracy</b>	Company:	Date: <b>5/21/08</b>	Time: <b>4:07</b>	Temp °C:						
Relinquished by: <b>Tracy</b>		Company:	Date: <b>5/21/08</b>	Time: <b>4:07</b>	Received by: <b>Tracy</b>	Company:	Date: <b>5/21/08</b>	Time: <b>4:07</b>	Temp °C:						

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C O C.

Carner #



# Encore 31 Avalon #1



Background  
of the S.W.  
corner of pool

30'  
N  $32^{\circ}32'05.0''$   
W  $104^{\circ}12'48.8''$

E. leg -  $32^{\circ}32'08.1''$

W  $104^{\circ}12'47.1''$

N. leg - N  $32^{\circ}32'07.8''$   
W  $104^{\circ}12'47.9''$

W. leg - N  $32^{\circ}32'07.8''$   
W  $104^{\circ}12'48.2''$

Inside w. leg

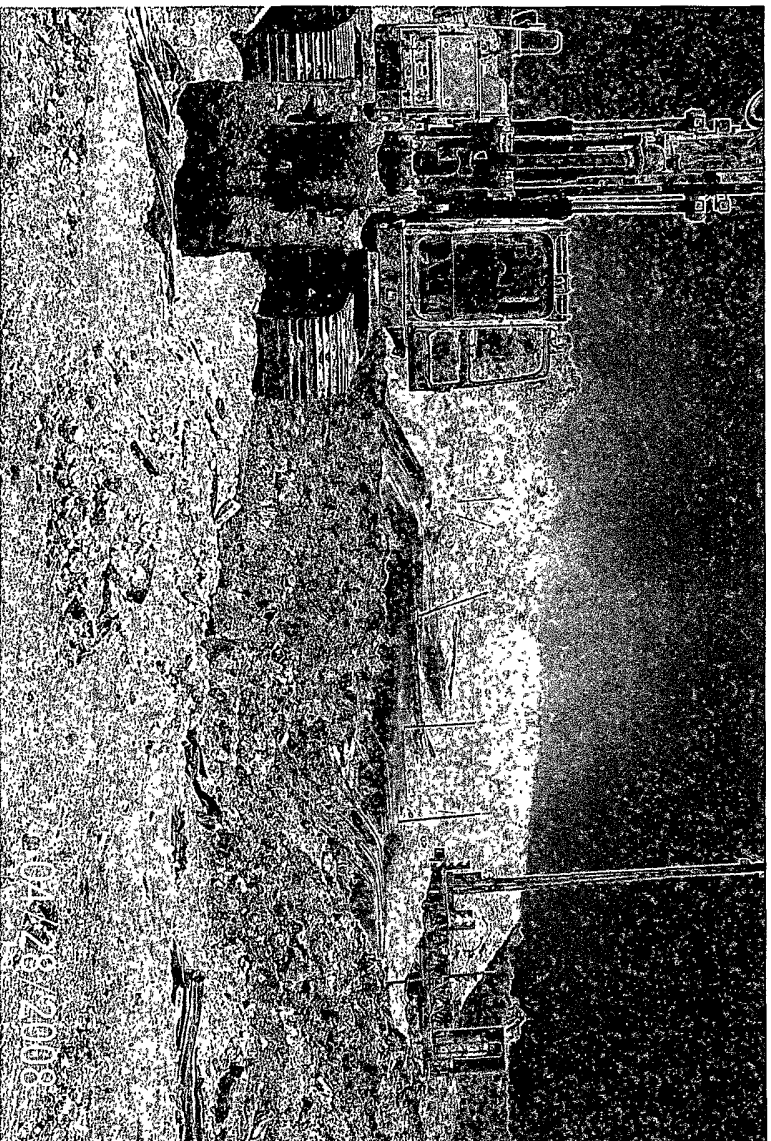
N -  $32^{\circ}32'07.9''$   
W  $104^{\circ}12'47.8''$

Inside E. leg

N  $32^{\circ}32'08.0''$   
W  $104^{\circ}12'47.5''$



ENCORE OPERATING, L.P.  
ENCORE 31 AVALON #1  
600' FNL & 1260' FEL  
SEC. 31-T20S-R28E  
API #30-015-35714  
EDDY COUNTY, NEW MEXICO



04/28/2008



