

30-015-04675

AUG 27 2008

Form C-144
June 1, 2004

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

OCD-ARTESIA

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>SHACKELFORD OIL Co.</u> Telephone: <u>432-682-9784</u> e-mail address: <u>dq-shack@swball.net</u>																														
Address: <u>3510 N. A St. Bldg. B Ste 100</u>																														
Facility or well name: <u>Keyes Tank Battery Disposal P.t</u> U/L or Qtr/Qtr <u>G</u> Sec <u>15</u> T <u>205</u> R <u>30E</u>																														
County: <u>Eddy</u> Latitude _____ Longitude _____ 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"/>																														
<table border="1"> <thead> <tr> <th>Pit</th> <th>Below-grade tank</th> </tr> </thead> <tbody> <tr> <td>Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl</td> <td>Volume: _____ bbl Type of fluid. _____ Construction material _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____</td> </tr> <tr> <td>Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)</td> <td> <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> </td> </tr> <tr> <td>Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)</td> <td> <table border="1"> <tr> <td>Yes</td> <td>(20 points)</td> </tr> <tr> <td>No</td> <td>(0 points)</td> </tr> </table> </td> </tr> <tr> <td>Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)</td> <td> <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> </td> </tr> <tr> <td colspan="2">Ranking Score (Total Points)</td> </tr> </tbody> </table>			Pit	Below-grade tank	Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	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.)	<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)	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)	Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	<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)	Ranking Score (Total Points)	
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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 14 ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 6/28/08
Printed Name/Title: DON SHACKELFORD President 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.

Accepted for record
NMOCD

Approval: _____
Printed Name/Title: _____ Signature: [Signature] Date: AUG 28 2008

Final Closure

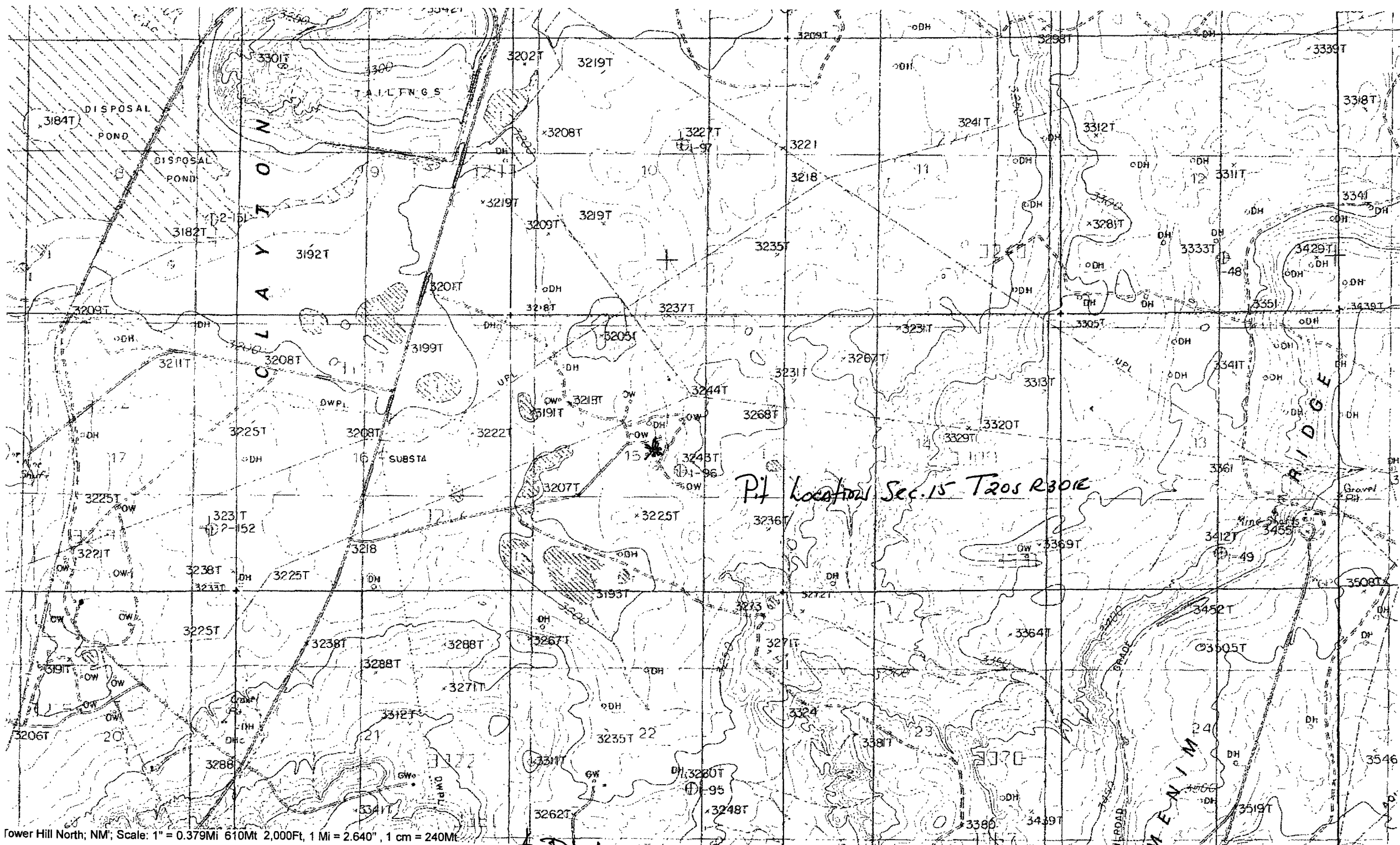
Closure of Keyes Disposal Pit

Remedial Action

On May 30, 2008 excavation was started and water was reached at 14' below the surface. On Monday June 2, 2008 Sonny Watts called the Artesia office of the OCD to discuss with Mike Bratcher. On Tuesday June 3, 2008 Ron Harvey with the Artesia office of OCD came to location. It was determined at this time we would drill some test holes outside and inside of the pit area (see attached Exhibit 2). Three test holes were drilled on June 4, 2008 to 20ft. On June 5, 2008 samples were taken by BBC International, Inc. and they were delivered to Cardinal Laboratories for testing on June 6, 2008. The sample analysis was received on June 9, 2008. The sample analysis was delivered to Mike Bratcher. On Friday June 13, 2008 Sonny Watts with Shackelford Oil Co. met with Mr. Bratcher at the Artesia office of OCD and he indicated we could close the pit and put a 4' cap on top of it with 20mil plastic. The soil removed from the pit was taken to CRI. The pit was covered and a cap with 20mil plastic was placed at 4ft. from surface. The liner was then covered and the surface was contoured to its original contour. The completion date was June 25, 2008.

Index of Exhibits

1. Topo Map Indicating Location of Pit
2. Schematic of Tank Battery and Pit
3. Schematic of Test Holes
4. Summary of Sample Information
5. Chain of Custody and Analysis Request
6. Analytical Results of Water Sample
7. Analytical Results of Soil Sample



Lower Hill North, NM; Scale: 1" = 0.379Mi 610M 2,000Ft, 1 Mi = 2.640", 1 cm = 240M

2

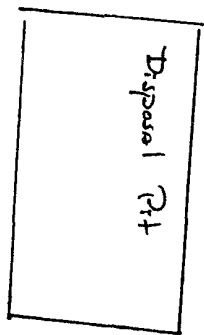
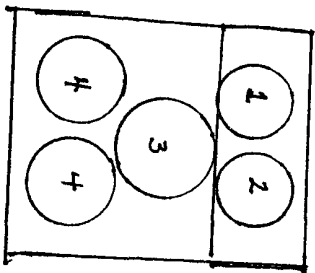


Exhibit 1

Schematic of Tank Battery and Pit

Keyes Tank Battery



- 1, 2 - 500 Bbl. Oil Tanks
- 3 - 750 Bbl. Gun Barrel
- 4 - 2 500 Bbl. Water Tanks
(removed)

Shackelford

Keyes

MW#1

N →

MW#2

MW#3

SP#1

SP#2

Exhibit 2
Schematic of Test holes

Keyes

Shackelford

6-5-08	1:10pm	MW#1	Water 17 Ft	Bottom 19' 3	
6-5-08	1:22pm	MW#2	15 Ft	21 Ft	
6-5-08	2:00pm	MW#3	15 Ft	17 Ft	
<hr/>					
6-5-08	2:15pm	SP#1	1 Ft	Brown	No Smell
6-5-08	2:33pm	SP#2	1 Ft	Brown	No Smell

Exhibit 3

Summary of Test Sample Information

Exhibit 41

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

1401 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

[illegible]

* Cardinal cannot accept verbal changes. Please fax written changes to 606-383-2478

BBC INTERNATIONAL

5053970397

06/09/2008 03:06

RECEIVED

Exhibit 5**ARDINAL
LABORATORIES**

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (575) 397-0397

Receiving Date: 06/06/08
Reporting Date: 06/09/08
Project Number: NOT GIVEN
Project Name: SHACKELFORD - KEYES
Project Location: NOT GIVEN

Analysis Date: 06/09/08
Sampling Date: 06/05/08
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: KS

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/L)
H14940-1	MW 1	32,800
H14940-2	MW 2	36,000
H14940-3	MW 3	37,200
Quality Control		490
True Value QC		500
% Recovery		98.0
Relative Percent Difference		< 0.1

METHOD: Standard Methods	4500-ClB
--------------------------	----------

Krista S. Sposito
Chemist

06/09/08
Date

H14940 BBC

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

RECEIVED 06/09/2008 03:06 5053970397

BBC INTERNATIONAL

Exhibit 6



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (575) 397-0397

Receiving Date: 06/06/08
Reporting Date: 06/09/08
Project Number: NOT GIVEN
Project Name: SHACKELFORD - KEYES
Project Location: NOT GIVEN

Analysis Date: 06/06/08 & 06/09/08
Sampling Date: 06/05/08
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: KS/AB

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H14940-4	SP #1	7,440
H14940-5	SP #2	32
Quality Control		490
True Value QC		500
% Recovery		98.0
Relative Percent Difference		< 0.1

METHOD: Standard Methods 4500-ClB

Note: Analyses performed on 1:4 w/v aqueous extracts.

Krista Sandoz
Chemist

06/09/08
Date

H14940 BBC

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