

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 ☐

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

Operator: Nadel & Gussman Permian, LLC

Telephone: 432-682-4429

e-mail address: kemm@naguss.com

Address: 601 N. Marienfeld, Suite 508, Midland, Texas 79701

Facility or well name: Bond Fee No. 2 API #: 30-015-34861 U/L C Sec 20 T21S R28E, 660' FNL, 1650' FWL

County: Eddy Latitude N Longitude W NAD: 1927 ☐ 1983 ☐

Surface Owner: Federal State Private X Indian ☐

SEP 29 2008

OCD-ARTESIA

<b>Pit</b> Type: Drilling X Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined X Unlined <input type="checkbox"/> Liner type: Synthetic X Thickness: 12ml HDPE liner Clay <input type="checkbox"/> Pit Volume: 1500 bbl. Approximately	<b>Below-grade tank</b> N/A Volume: N/A bbl Type of fluid: N/A Construction material: N/A Double-walled, with leak detection? <input type="checkbox"/> If not, explain why not.
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of groundwater.) Two water wells exist in Sec 20 showing high water elevation of groundwater ranging between 120' and 160' at the ranch house. See Closure Plan for details.	Less than 50 feet (20 points) 20 pts. 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.)	Yes (20 points) No X (0 points) 0 pts.
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 20 pts. 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)
	<b>Ranking Score (Total Points)</b> 40 pts.

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: Hauled  
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 X  
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:

**PIT CLOSED JULY 2007 BY SOLIDIFICATION**  
**SAMPLE ANALYTICALS ATTACHED**

*(Hauled due to flood)*

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

Date: 17 July 2007

Printed Name/Title: Kem McCready, Operation Engineer

Signature

*Kem McCready*

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

Signature

Accepted for record  
NMOCD

Date:

SEP 29 2008



## Summary Report

Kem McCready  
Nadel & Gussman Permian LLC  
601 N. Marienfeld  
Suite 508  
Midland, TX, 79701

Report Date: July 16, 2007

Work Order: 7071501



Project Name: Bond Fee #2 Resample Horseshoe Pit @ 12'

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
129941	N Wall & Floor Comp 12'	soil	2007-07-13	14:10	2007-07-14
129942	S Wall & Floor Comp 12'	soil	2007-07-13	14:20	2007-07-14
129943	E Wall & Floor Comp 12'	soil	2007-07-13	14:30	2007-07-14
129944	W Wall & Floor Comp 12'	soil	2007-07-13	14:45	2007-07-14
129945	Background	soil	2007-07-13	14:00	2007-07-14

**Sample: 129941 - N Wall & Floor Comp 12'**

Param	Flag	Result	Units	RL
Chloride		266	mg/Kg	5.00

**Sample: 129942 - S Wall & Floor Comp 12'**

Param	Flag	Result	Units	RL
Chloride		317	mg/Kg	5.00

**Sample: 129943 - E Wall & Floor Comp 12'**

Param	Flag	Result	Units	RL
Chloride		358	mg/Kg	5.00

**Sample: 129944 - W Wall & Floor Comp 12'**

Param	Flag	Result	Units	RL
Chloride		256	mg/Kg	5.00

**Sample: 129945 - Background**

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Param	Flag	Result	Units	RL
Chloride		<b>79.2</b>	mg/Kg	5.00

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## Summary Report

Kem McCready  
Nadel & Gussman Permian LLC  
601 N. Marienfeld  
Suite 508  
Midland, TX, 79701

Report Date: July 10, 2007

Work Order: 7071020



Project Name: Removal of Soil to 2'-resample area  
Project Number: Bond Fee #2

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
129415	SE Area Comp	soil	2007-07-08	09:00	2007-07-10
129416	Wellhead area E&W	soil	2007-07-08	09:10	2007-07-10
129417	N Area Comp	soil	2007-07-08	09:30	2007-07-10
129421	Offsite SE Comp.	soil	2007-07-08	11:10	2007-07-10
129422	Offsite NW Comp.	soil	2007-07-08	11:30	2007-07-10

### Sample: 129415 - SE Area Comp

Param	Flag	Result	Units	RL
Chloride		75.7	mg/Kg	5.00

### Sample: 129416 - Wellhead area E&W

Param	Flag	Result	Units	RL
Chloride		115	mg/Kg	5.00

### Sample: 129417 - N Area Comp

Param	Flag	Result	Units	RL
Chloride		32.4	mg/Kg	5.00

### Sample: 129421 - Offsite SE Comp.

Param	Flag	Result	Units	RL
Chloride		40.9	mg/Kg	5.00

### Sample: 129422 - Offsite NW Comp.

Report Date: July 10, 2007  
Bond Fee #2

Work Order: 7071020  
Removal of Soil to 2'-resample area

Page Number: 2 of 2

Param	Flag	Result	Units	RL
Chloride		40.9	mg/Kg	5.00

## Summary Report

Kem McCready  
Nadel & Gussman Permian LLC  
601 N. Marienfeld  
Suite 508  
Midland, TX, 79701

Report Date: July 9, 2007

Work Order: 7070615



Project Name: Solidification Project Closure  
Project Number: Bond Fee #2 Insitu Pit #2

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
129180	E 1/2 Floor & Well Comp	soil	2007-07-05	07:00	2007-07-06
129181	W 1/2 Floor & Well Comp	soil	2007-07-05	07:10	2007-07-06
129182	Mid Pit Floor & Well Comp	soil	2007-07-05	07:30	2007-07-06
129183	Floor Composite	soil	2007-07-05	07:20	2007-07-06

### Sample: 129180 - E 1/2 Floor & Well Comp

Param	Flag	Result	Units	RL
Chloride		303	mg/Kg	5.00

### Sample: 129181 - W 1/2 Floor & Well Comp

Param	Flag	Result	Units	RL
Chloride		44.5	mg/Kg	5.00

### Sample: 129182 - Mid Pit Floor & Well Comp

Param	Flag	Result	Units	RL
Chloride		246	mg/Kg	5.00

### Sample: 129183 - Floor Composite

Param	Flag	Result	Units	RL
Chloride		148	mg/Kg	5.00

## Summary Report

Kem McCready  
Nadel & Gussman Permian LLC  
601 N. Marienfeld  
Suite 508  
Midland, TX, 79701

Report Date: July 5, 2007

Work Order: 7070509



Project Location: Pit Outer Horeshoe-W. Side resample #1  
Project Name: Bond Fee #2 (Pit Outer Horeshoe-W. Side)

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
129104	N Wall & Floor resample	soil	2007-06-30	12:00	2007-07-05
129105	S Wall & Floor resample	soil	2007-06-30	12:20	2007-07-05
129106	E Wall & Floor resample	soil	2007-06-30	12:40	2007-07-05
129107	W Wall & Floor resample	soil	2007-06-30	12:50	2007-07-05
129108	Pit bottom comp.	soil	2007-06-30	13:00	2007-07-05

**Sample: 129104 - N Wall & Floor resample**

Param	Flag	Result	Units	RL
Chloride		<20.0	mg/Kg	5.00

**Sample: 129105 - S Wall & Floor resample**

Param	Flag	Result	Units	RL
Chloride		<20.0	mg/Kg	5.00

**Sample: 129106 - E Wall & Floor resample**

Param	Flag	Result	Units	RL
Chloride		<20.0	mg/Kg	5.00

**Sample: 129107 - W Wall & Floor resample**

Param	Flag	Result	Units	RL
Chloride		<20.0	mg/Kg	5.00

**Sample: 129108 - Pit bottom comp.**

Report Date: July 5, 2007

Work Order: 7070509

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Bond Fee #2 (Pit Outer Horeshoe-W. Side) Pit Outer Horeshoe-W. Side resample #1

Param	Flag	Result	Units	RL
Chloride		<20.0	mg/Kg	5.00