District I
1625 N. French Dr., Hobbs, NM 88240
District II
301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Roed, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Senta Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Pit or Below-Grade Tank Registration or Closure

Form C-144
June 1, 2004
For drilling and production facilities, submit to appropriate NMOCD District Office.

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

Operator: Myco Industries, Inc. Telephone: 505-748-4289	NOV 1 5 2005
Volume:	·
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) Less than 50 feet or more, but less than 100 feet (10 po 100 feet or more) Wellhead protection erea: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and peremial and ophemeral watercourses.) Less than 200 feet 200 feet (20 po 100 feet or more) Less than 200 feet (20 po 100 feet or more) Ranking Score (Total Points) [I this is a nit closure; (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposare burying in place) onsite X offsite if offsite, name of facility (3) Attach a general description of the emplaced into the encapsulation trench will be constructed and lined with 12 mil synthetic liner a contents will be excavated and emplaced into the encapsulation trench will be constructed and lined with 12 mil synthetic liner a contents will be excavated and emplaced into the encapsulation trench will be constructed and lined with 12 mil synthetic liner a contents will be excavated and emplaced into the encapsulation trench using a mixture of 250 pounds of CKD or Class H Bulk Cement pure emulsion of pit material and cement will be enioned using a track how and water added if needed. After completion of solidifying pit material and cement will be enioned using a track how and water added if needed. After completion of solidifying pit material and cement will be enioned using a track how and water added if needed. After completion of solidifying pit material and cement will be enioned using a track how and water added if needed. After completion of solidifying pit material and cement will be caused using a track how and water added if needed.	
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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 dispose are burying in place) onsite X offsite If offsite, name of facility (3) Attach a general description of the end and end date. (4) Groundwater encountered: No Ves If yes, show depth below ground surface (5) Attach soil sample results and a diagram of sample locations and excavations. Additional Comments: Closure plan for drilling pit. An encapsulation trench will be constructed and lined with 12 mil synthetic liner as contents will be excavated and emplaced into the encapsulation trench using a mixture of 250 pounds of CKD or Class H Bulk Coment put emulsion of pit meterial and completion of solidifying pit mater	ts)X
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And the state of t	one yard of pit material. The
like material and clean soil. A one call and 48 hour notification to OCD will be made before pit closure begins. I hereby certify that the information above is true and complete to the best of my knowledge and belief. If farther certify that the above has been/will be constructed or closed according to NMOCD guidelines X , a general permit , or an (attached) alternative to Date: 11/85/05 Printed Name/Title Tim	

PIT CLOSURE COMPLETED ON JANUARY 11, 2006

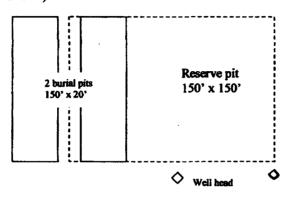
E)

Allstate Environmental Services

9-12-05

Reserve Pit Solidification Procedure

1. Diagram of deep burial trench(s) is provided with application for closure (form C-144)



2. Solidification of Cuttings:

- (A) The cuttings will be mixed with a track hoe. Contents will be lifted and dropped so as to create a stirring process. This process will continue until CKD and pit contents are thoroughly bonded.
- (B) The solidification material will be Cement Kiln Dust (CKD).
- (C) CKD to pit contents ratio will be 1 yard of pit contents to 240 lbs. of CKD or 1,000 cubic yards of pit contents to 120 tons of CKD. Pit contents will be measure to determine actual volume (length' x width' x depth') /27. CKD is weighed and delivered to the site in 40,000 lb increments.
 - A 1,000 cubic yard work pit is constructed inside the original reserve pit beside the encapsulation/solidification trench. One thousand cubic yards of pit contents will be placed in the work trench along with six 20 ton loads of CKD to begin the mixing process.
- (D) Water may be introduced to initiate the bonding process of CKD and pit Contents.
- (E) In order to assure proper mixing, all CKD is precisely weighed before delivery and pit construction is measure to a predetermined need depending on exact volume of pit contents.
- 3. A minimum of three representative samples will be taken from pit contents Prior to any work. These samples will be stored in a closed container.

- 4. Each stage being mixed will be sampled prior to transferring the slurry to the deep trench as follows:
 - (A) One sample of the slurry will be taken at the beginning of the transference and stored in a <u>closed</u> container.
 - (B) One sample of the slurry will be taken a the beginning of the transference and stored in an open container.
 - (C) One sample of the slurry will be taken at the end of the transference and stored in a <u>closed</u> container.
 - (D) One sample of the slurry will be taken at the end of the transference and stored in an open container.
- 5. All samples will be stored in environmentally approved containers.
- 6. All samples and associated paperwork will be delivered to the OCD office within 3 working days of closure.