

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

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Form C-144
June 24, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

JUL 24 2008

OCD-ARTESIA

Type of action: ☒ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator:	Purvis Operating Co.	OGRID #:	131559
Address:	PO Box 51990, Midland, Texas 79710-1990		
Facility or well name:	Segrest State		
API Number:	30-015-36391	OCD Permit Number:	77525
U/L or Qtr/Qtr	G	Section	2
Township	21S	Range	21E
County:	Eddy		
Center of Proposed Design: Latitude	N 32.50968	Longitude	W 104.77068
NAD:	<input checked="" type="checkbox"/> 1927 <input type="checkbox"/> 1983		
Surface Owner:	<input type="checkbox"/> Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment		

<input checked="" type="checkbox"/> Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness 20 mil <input checked="" type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____ <input checked="" type="checkbox"/> String-Reinforced Seams: <input checked="" type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: 5000 bbl Dimensions: L 100 x W 75 x D 7	<input type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC <input type="checkbox"/> Drying Pad <input type="checkbox"/> Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____ <input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____ Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: _____ bbl _____ yd ³ Dimensions: Length _____ x Width _____
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<input type="checkbox"/> Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: _____ bbl Type of fluid: _____ Tank Construction material: _____ <input type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off <input type="checkbox"/> Visible sidewalls and liner <input type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____ Liner type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	<input type="checkbox"/> Fencing: Subsection D of 19.15.17.11 NMAC <input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top <input checked="" type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet <input type="checkbox"/> Netting: Subsection E of 19.15.17.11 NMAC <input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____ <input type="checkbox"/> Monthly inspections <input type="checkbox"/> Signs: Subsection C of 19.15.17.11 NMAC <input checked="" type="checkbox"/> 12'x24', 2' lettering, providing Operator's name, site location, and emergency telephone numbers <input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC
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<input type="checkbox"/> Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: <input checked="" type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. <input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.
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Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☒ No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

(Applies to temporary, emergency, or cavitation pits and below-grade tanks)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☒ No

☐ NA

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

(Applies to permanent pits)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☒ No

☐ NA

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☒ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☒ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☒ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☒ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☒ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☒ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Climatological Factors Assessment
- ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Quality Control/Quality Assurance Construction and Installation Plan
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
- ☐ Emergency Response Plan
- ☐ Oil Field Waste Stream Characterization
- ☐ Monitoring and Inspection Plan
- ☐ Erosion Control Plan
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Proposed Closure: 19.15.17.13 NMAC

Type: ☒ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System ☐ Alternative

Proposed Closure Method: ☐ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☒ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☒ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

- | | |
|---|--|
| Ground water is less than 50 feet below the bottom of the buried waste.
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> NA |
| Ground water is between 50 and 100 feet below the bottom of the buried waste
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> NA |
| Ground water is more than 100 feet below the bottom of the buried waste.
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> NA |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).
- Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.
- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.
- Written confirmation or verification from the municipality; Written approval obtained from the municipality | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland.
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within the area overlying a subsurface mine.
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area.
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain.
- FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Haul-off Bins Only: (19.15.17.13.D NMAC) *Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings.*

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☒ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☒ Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- ☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☒ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- ☒ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- ☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- ☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Donnie E. Brown Title: Petroleum Engineer

Signature:  Date: June 30, 2008

e-mail address: eng@purvisop.com Telephone: 432-682-7346

OCD Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature:  Approval Date: 7/29/08

Title: District II Supervisor OCD Permit Number: 0208221

Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

☐ Closure Completion Date: _____

Closure Method:

- ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method
- ☐ If different from approved plan, please explain.

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Proof of Closure Notice
- ☐ Proof of Deed Notice (if applicable)
- ☐ Plot Plan
- ☐ Confirmation Sampling Analytical Results
- ☐ Waste Material Sampling Analytical Results
- ☐ Disposal Facility Name and Permit Number
- ☐ Soil Backfilling and Cover Installation
- ☐ Re-vegetation Application Rates and Seeding Technique
- ☐ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

SEGREST STATE COM #1

Hydrogeologic Data

A temporary pit 100' x 50' x 7' will be constructed and lined with 20 mil LLDPE string-reinforced. The site topography is flat with very little vegetation. Soil is limestone dirt. There is no surface water within 500' and ground water is 1000' in depth or more. The pit is not in a 100-year flood plain. Visual inspection indicates that there is no mining or unstable areas.

Slope of the pit will be at least 2H:1V with depth no more than 7'. Any top soil will be removed first and placed to one side so that it can be placed back on top when the pit is closed.

Pit measurement will be taken daily so as to ensure no leakage.

After the drilling of the well, all liquids will be pulled from the pit and taken to approved disposal wells. Cutting will be deep trench burial according to OCD rules. If the deep trench burial method cannot be used, all contents including the liner will be excavated and hauled to the closest division approved facility, which would be the Lea Land landfill located Section 32-T20S-R32E, Lea County, New Mexico, Permit No. 35.

If it is determined that a temporary pit is not feasible, a closed loop system will be employed with the cutting hauled to the same landfill as above.

Siting Criteria

The attached topographic map shows the pit site is greater than 300' from a continuously flowing water course.

The attached FEMA map indicates the pit site is not in a 100-year flood plain.

Telephone conversations with the office of the New Mexico State Engineer in Roswell and with Glen Water Well Service in Tatum, New Mexico, indicated that ground water at and in the general area of the pit site is from 1000' to 1400'. Also, conversations with local ranchers confirmed the same depths. There is no information in the W.A.T.E.R.S. data base (see attached map).

Purvis Operating Co. drilled a dry hole, the Deer Canyon Federal 8-1Y in Section 8, T20S, R21E, some 6 miles to the northwest of the pit site. After P&A, the rancher re-entered the well and completed a fresh water well at a depth of 1200', confirming the 1000' to 1400' ground water depth.

Visual inspection of the pit site shows there are no building of any kind within miles. There is no mines, unstable areas, or wetlands within miles. There are no fresh water wells within a half mile of the pit site.

Design Plan

The design and construction of the drilling pit will be according to the OCD Pit Rules 19.15.17.11. Top soil will be stockpiled and the pit constructed with a 2H:1V slope. A 20 mil LLDPE string-reinforced liner will be installed and tested for leaks. Fluid levels will be monitored at all times so that fluid does not reach 2' from top and fluid levels checked to ensure no leaks during operations. The pit will be fenced. See attached diagram for design diagram.

Operating and Maintenance Plan

Only fluids used during drilling will be discharged into the pit. Two feet of freeboard will be maintained. While drilling, the fluid level will be monitored at all times to ensure no spills or leakage. After drilling is complete, all liquids will be removed within 30 days. Drilling cuttings will be buried on-site by the deep trench method.

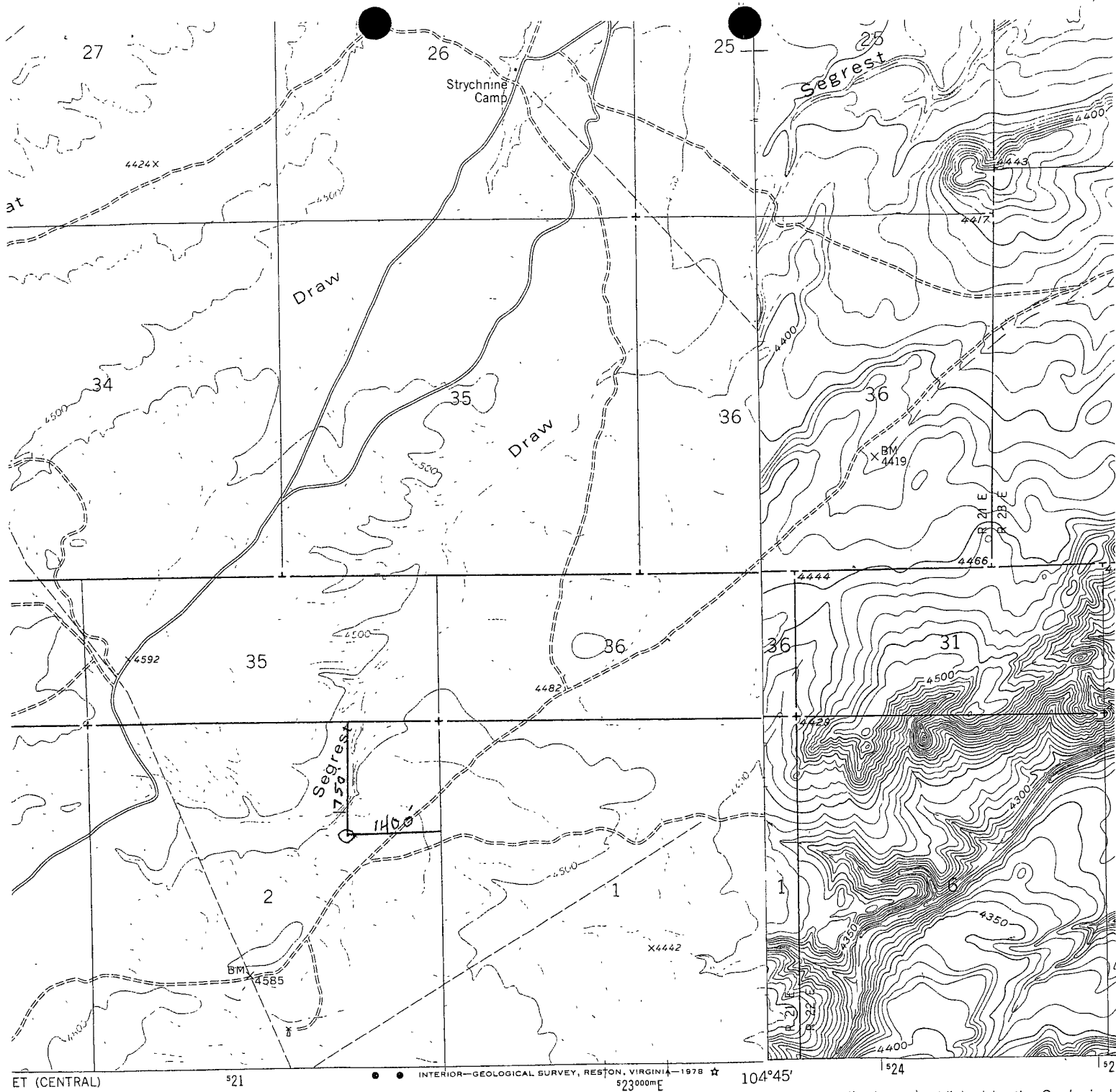
A berm will be constructed around the pit site, if necessary to ensure no surface water run-on.

Closure Plan

All liquids will be removed from the pit prior to closure and disposed in an approved disposal well. The drilling cutting will be by on-site burial by the deep trench method. Soil samples will be taken for analysis if there is any indication of liner leakage. If the analysis indicate the deep trench method cannot be used, then cutting will be hauled to Lea Landfill, Permit 35.

On-Site Closure Plan

1. Siting Criteria – Same A Siting Criteria for temporary pit.
2. Proof of Surface Owner – Notice: See attached Certified Mail.
3. Construction and Design Burial Trench
Construction and design will be as required by 19.15.17.13 NMAC. After testing, cutting will be stabilized with a mixing ratio of cutting to soil of 3:1 and placed on a 20 mil LLDPE string-reinforced liner and covered with same type liner. Four feet of soil will be placed on top of the covered liner with the top one foot of soil being suitable for revegetation. The surface will be re-contoured and revegetated. Attached is a diagram of the on-site trench design and construction.
4. Protocols and Procedures – Before burial, cutting will be stabilized and tested as per 19.15.17.13 F.(3)(f)(ii). Cuttings will be buried as above and pit burial marked installed.
5. Confirmation Sampling Plan – Cutting will be stabilized with a 3:1 mixture and tested for contaminants as per 19.15.17.13F.(3)(f)(ii).
6. Waste Material Sampling Plan – Sampling and testing will be as outlined in 19.15.17.13F.(3)(f)(9ii).
7. Disposal Facility Name and Permit Number – Lea Land Inc. Landfill, Permit 35
8. Soil Cover Design – Four feet of compacted, non-waste earthen material will be placed on and around the top liner cover with the top one foot being soil suitable for revegetation. The surface will be contoured to surround area and revegetated.
9. Revegetation Plan – The surface will be revegetated with 3 native plant species with at least one grass, but no noxious weeds. Revegetation will be to 70% of original vegetation.
10. Site Reclamation Plan – Will recontour the pit site to the contour that approximates the original contour.



ET (CENTRAL)

521

INTERIOR-GEOLOGICAL SURVEY, RESTON, VIRGINIA 1978

523000mE

104°45'

1524

152

ROAD CLASSIFICATION

Primary highway,
hard surface

Light-duty road, hard or
improved surface

Secondary highway,
hard surface

Unimproved road



Interstate Route



U S Route



State Route

Mapped, edited, and published by the Geological
Control by USGS and USC&GS

Culture and drainage in part compiled from aerial phot
taken 1946. Topography by planetable surveys 1957

Polyconic projection. 1927 North American datum
10,000-foot grid based on New Mexico coordinate syst
east zone

1000-meter Universal Transverse Mercator grid ticks,
zone 13, shown in blue

Map photoinspected 1975

No major culture or drainage changes observed

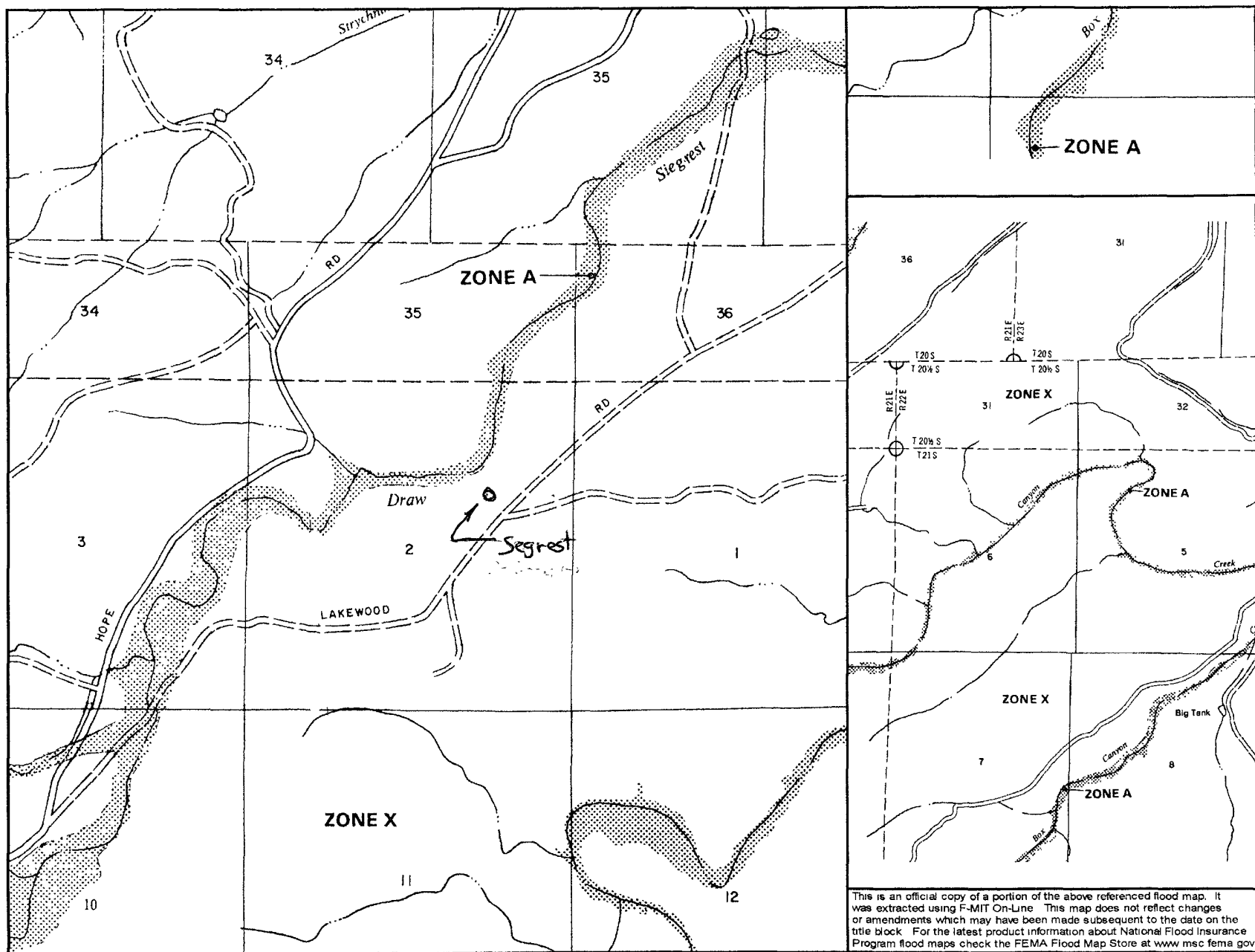


QUADRANGLE LOCATION

STRYCHNINE DRAW, N. ME.
N3230-W10445/7.F

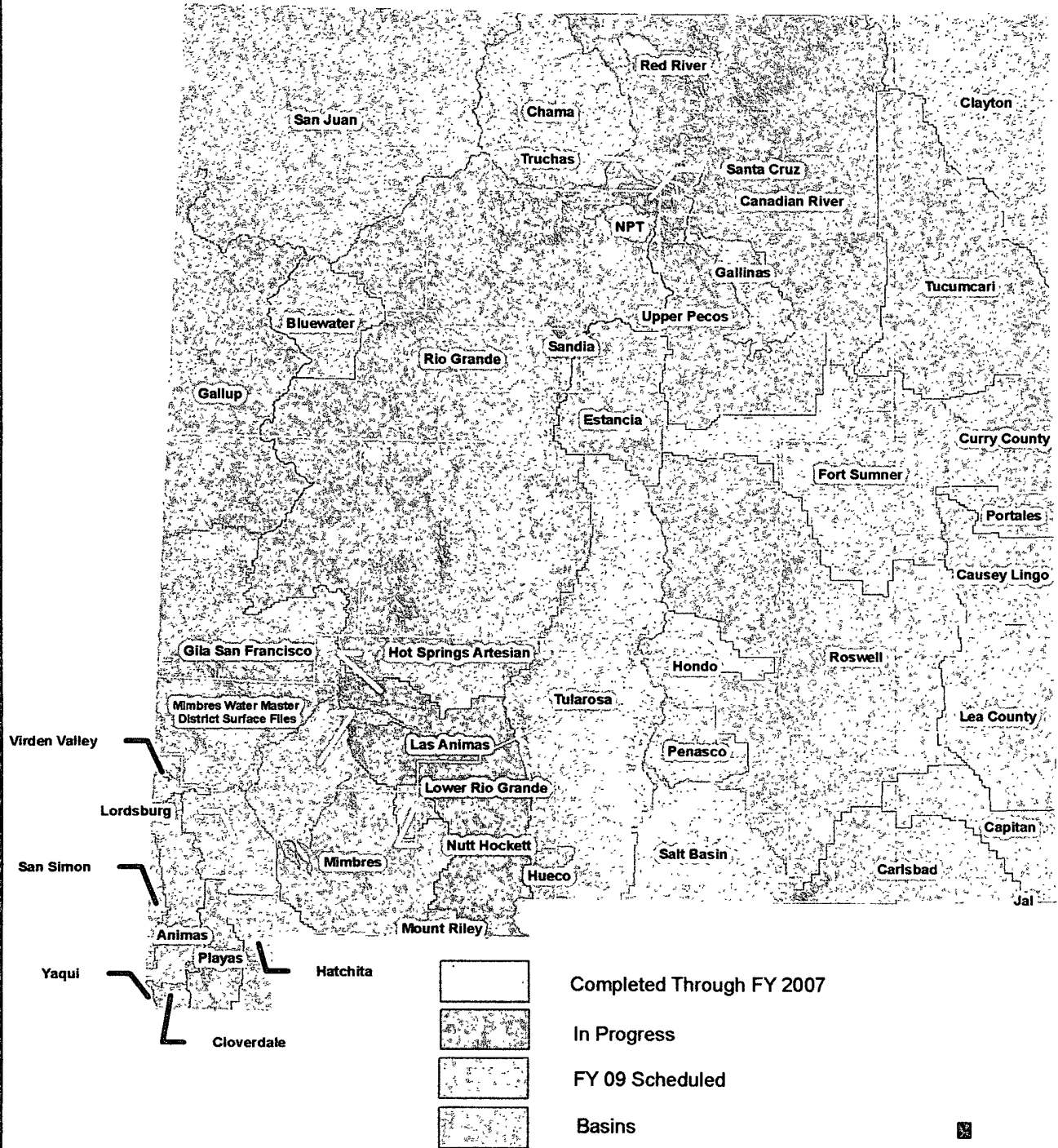
1978

AMS 5049 III SE-SERIES V881



W.A.T.E.R.S.

Water Basins Abstracted Into The Database



Updated: 02/26/2008

R Campbell

TEMPORARY PIT DESIGN AND CONSTRUCTION

- Temporary Pits:
 - Minimize the number of field seams in corners and irregularly shaped areas.
 - Construction shall avoid excessive stress-strain on the liner.
 - Geotextile is required under the liner where needed to reduce localized stress-strain or protuberances.
 - Anchor the edges of all liners in the bottom of a compacted earth-filled trench.
 - The anchor trench shall be at least 18 inches deep.
 - Liner shall be protected from any fluid force or mechanical damage at any point of discharge into or suction from the lined temporary pit.

New Mexico Oil Conservation Division

41

TEMPORARY PIT DESIGN AND CONSTRUCTION

- Temporary Pits:
 - Designed and constructed to prevent run-on of surface water.
 - A berm, ditch, proper sloping or other diversion shall surround a temporary pit to prevent run-on of surface water.
 - During drilling operations, the edge of the temporary pit adjacent to the drilling or workover rig is not required to have run-on protection if the operator is using the temporary pit to collect liquids escaping from the drilling or workover rig and run-on will not result in a breach of the temporary pit.
 - Volume shall not exceed 10 acre-feet, including the required two foot freeboard.

New Mexico Oil Conservation Division

42

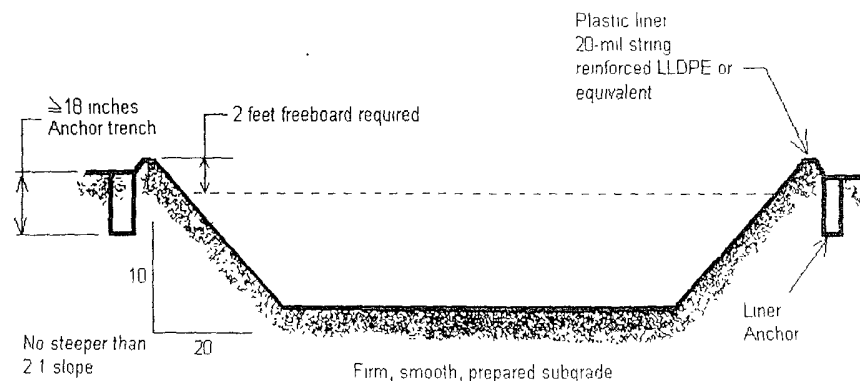
TEMPORARY PIT DESIGN AND CONSTRUCTION

- Temporary Pits:
 - The part of a temporary pit used to vent or flare gas during a drilling or workover operation that is designed to allow liquids to drain to a separate temporary pit does not require a liner
 - The division district office may require an alternative design in order to protect surface water, ground water and the environment.
 - Operator shall not allow freestanding liquids to remain on the unlined portion of a temporary pit used to vent or flare gas.

New Mexico Oil Conservation Division

43

TEMPORARY PIT DESIGN AND CONSTRUCTION



New Mexico Oil Conservation Division

44

PURVIS OPERATING CO.

2101 N. Pecos St 79705

P. O. Box 51996
Midland, Texas 79710-1990
Phone (432) 682-7346
Fax (432) 682-9584
e-mail land@purvisop.com

CERTIFIED MAIL: 7006 0810 0000 0528 3240

June 27, 2008

Commissioner of Public Lands
Attn: Oil, Gas & Minerals Division
P.O. Box 1148
Santa Fe, NM 87504-1148

RE: NE/4 Sec. 2, T-21-S, R-321-E, Lea County, New Mexico, State Lease V0-6852 & V0-6857

To Whom It May Concern:

This letter is written to provide notice to the Commissioner of Public lands that Purvis Operating Co, Operator of the captioned lands and leases, will be Drilling the Seagrest State Com #1 Well at a standard location and will follow the on-site deep trench burial method to close the pits all of which are now prescribed by New Mexico Oil Conservation Division 19.15.17 NMAC.

If the Commissioner has any objections or concerns, please call our Engineer, Donnie E. Brown at the number listed above.

Sincerely,

D. Briggs Donaldson, CPL, CPLTA, CDOA

ON-SITE TRENCH DESIGN AND CONSTRUCTION

On-site Trench for Closure:

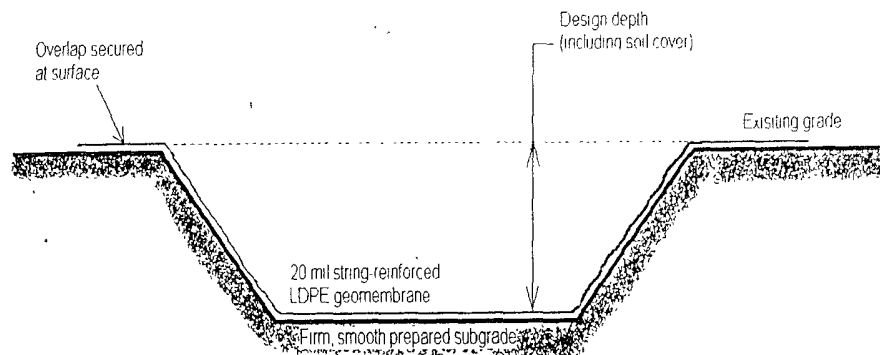
- Fold the outer edges of the trench liner to overlap the waste material in the trench prior to the installation of the geomembrane cover.
- Install a geomembrane cover over the waste material in the lined trench.
 - Install in a manner that prevents the collection of infiltration water in the lined trench and on the geomembrane cover after the soil cover is in place.
 - Consist of a 20-mil string reinforced LLDPE liner or equivalent cover.
 - Composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions.
 - Cover compatibility shall comply with EPA SW-846 method 9090A.

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65

ON-SITE TRENCH DESIGN AND CONSTRUCTION 19.15.17.11.J NMAC

Step 1. Trench Construction

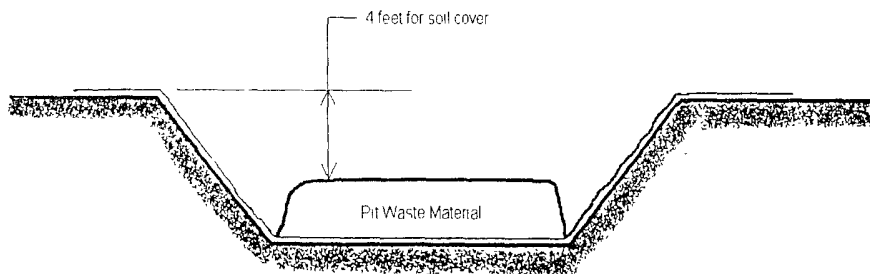


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66

ON-SITE TRENCH DESIGN AND CONSTRUCTION 19.15.17.11.J NMAC

Step 2. Filling with Pit Wastes

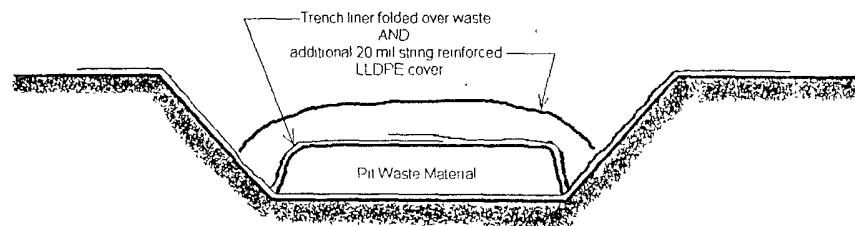


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67

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Step 3. Final liner configuration

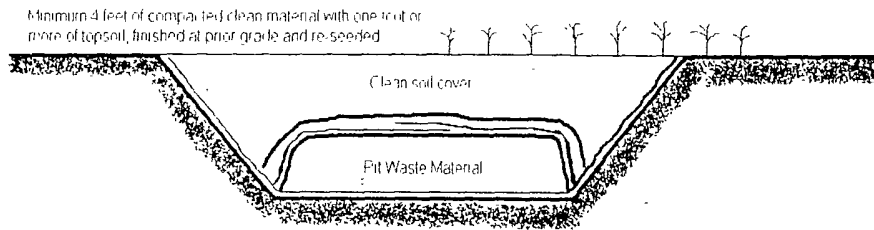


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68

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Step 4 Cover fill



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69

OPERATIONAL REQUIREMENTS

- General Specifications:
 - Operator shall operate and maintain a pit, closed-loop system, below-grade tank or sump to contain liquids and solids and maintain the integrity of the liner, liner system or secondary containment system.
 - Operator shall recycle, reuse or reclaim or dispose of all drilling fluids in a manner approved by division rules.
 - Operator shall not discharge into or store any hazardous waste in a pit, closed-loop system, below-grade tank or sump.

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70

OPERATIONAL REQUIREMENTS

- General Specifications:
 - If any pit liner's integrity is compromised, or if any penetration of the liner occurs above the liquid's surface:
 - The operator shall notify the appropriate division district office within 48 hours of the discovery
 - The operator shall repair the damage or replace the liner.
 - Includes during the implementation of in-place closure.

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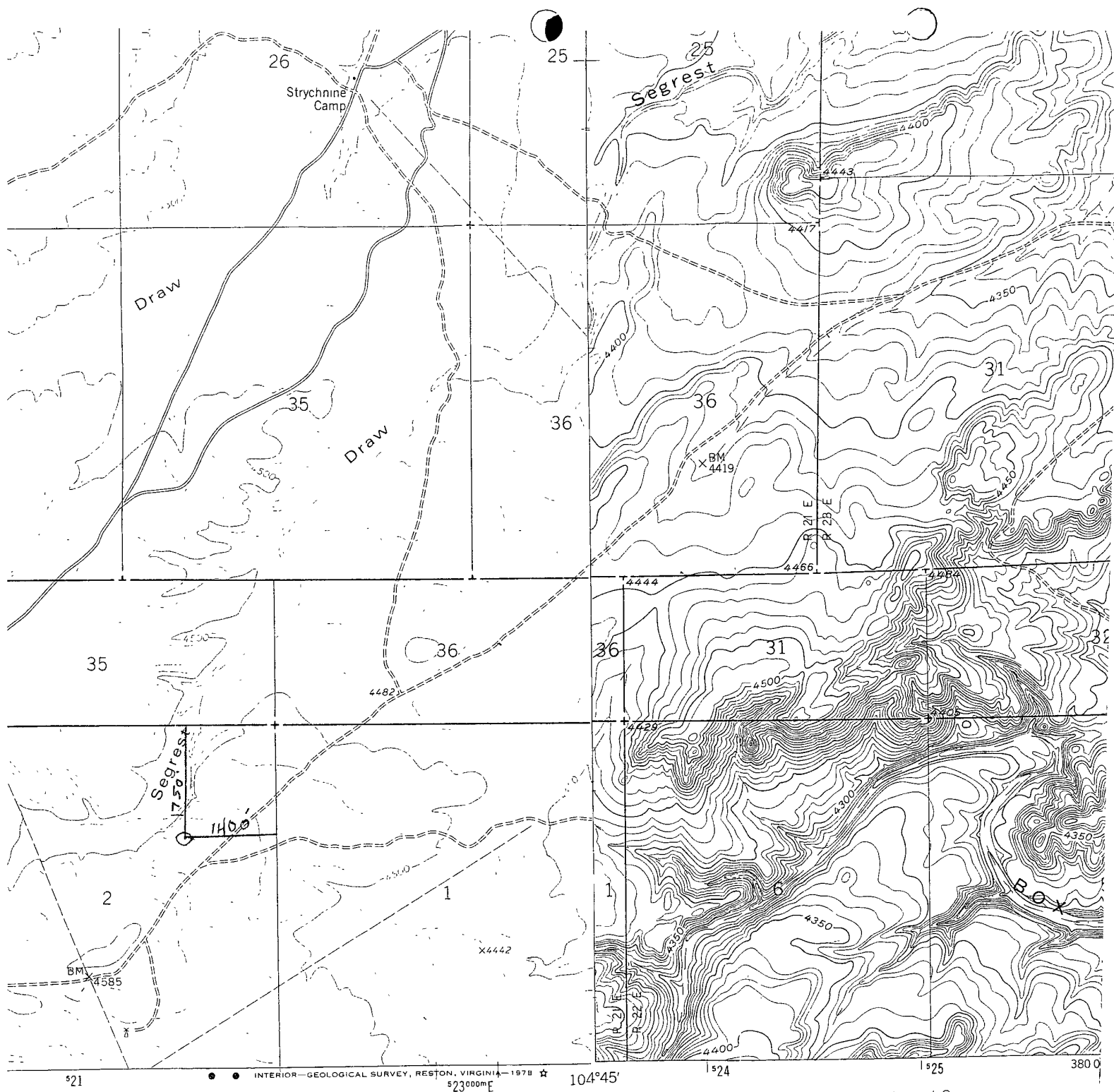
71

OPERATIONAL REQUIREMENTS

- General Specifications:
 - If a pit, below-grade tank, closed-loop system or sump develops a leak, or if any penetration of the pit liner, below-grade tank, closed-loop system or sump occurs below the liquid's surface:
 - The operator shall remove all liquid above the damage or leak line within 48 hours.
 - The operator shall notify the appropriate division district office within 48 hours of the discovery.
 - The operator shall repair the damage or replace the pit liner, below-grade tank, closed-loop system or sump.
 - Applies during the implementation of in-place closure.

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72



ROAD CLASSIFICATION

Primary highway, hard surface	Light-duty road, hard or improved surface
Secondary highway, hard surface	Unimproved road
Interstate Route	U S Route
State Route	

Mapped, edited, and published by the Geological Survey
Control by USGS and USC&GS

Culture and drainage in part compiled from aerial photographs
taken 1946. Topography by planetable surveys 1957

Polyconic projection. 1927 North American datum
10,000-foot grid based on New Mexico coordinate system,
east zone
1000-meter Universal Transverse Mercator grid ticks,
zone 13, shown in blue

STRYCHNINE DRAW, N. ME.
N3230-W10445/7.5

Map photoinspected 1975
No major culture or drainage changes observed

1978

AMS 5049 III SE—SERIES V881