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

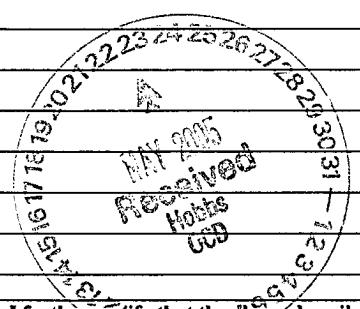
Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Mission Resources Telephone: 505-394-2574 e-mail address: joel.sisk@mrcorp.com
Address: Post Office Box 1239, Eunice, New Mexico 88231
Facility or well name: State A A/C 2 #82 API #: 30-025-36936 U/L or Qtr/Qtr J Sec 11 T 225 R 36E
County: Lea Latitude 32° 24' 16.1" Longitude 103° 14' 2.2" NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit	**Below-grade tank**		
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☒ Pit Volume 5704 bbl	Volume: ____bbl Type of fluid: ____ Construction material: ____ Double-walled, with leak detection? Yes ☐ 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 50 feet or more, but less than 100 feet 100 feet or more 137'	(20 points) (10 points) (0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)	0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more 1000+	(20 points) (10 points) (0 points)	0
	Ranking Score (Total Points)		0

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 your are burying in place) onsite ☒ 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 ☐ 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: See attached general plan



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: May 23, 2005
Printed Name/Title Joel Sisk/Senior Production Technician Signature Joel Sisk

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 GARY W. WINK STAFF MGR. Signature Gary W. Wink Date: 5/23/05

Drilling Pit General Plan

This plan provides a detailed outline of steps to be employed by Mission Resources Corporation (Mission) in the construction, use and closure of drilling pits located within Lea County, New Mexico.

Scope

This plan is to be use on all drilling pits constructed on Mission within Lea County, New Mexico using fresh water and lease brine water. This plan **does not** apply to any well drilled by Mission outside of Lea County, New Mexico or any well employing an alternative mud system.

Definitions

Pit – Any surface or sub-surface impoundment, man-made or natural depression, or diked area on the surface. Excluded are berms constructed around tanks or other facilities solely for the purpose of safety and secondary containment. This term includes: produced water pits, dehydrator pits, blowdown pits, separator pits, tank drain pits, pipeline drip collector pits, compressor scrubber pits, flare pits, drilling pits, reserve pits, workover pits and all other pits which receive exploration, production and processing wastes regulated.

Soil – The earth material, which has been so modified and acted upon by physical, chemical, and biological agents that will support, rooted plants.

Fresh Waters – All surface waters and ground waters of New Mexico containing 10,000 milligrams per liter or less of total dissolved solids (TDS) for which there is a present or reasonably foreseeable (time period of not less than 200 years) beneficial use.

Location

No drilling pit will be located in any watercourse, lakebed, and sinkhole or playa lake. Pits adjacent to any such watercourse or depression shall be located safely above the ordinary high-water mark of such watercourse or depression. No pit shall be located in any wetland.

Design and Construction

- All drilling pits located within Lea County, New Mexico shall have a minimum dimension of 80' X 80' X 5' in depth.
- All drilling pits located within Lea County, New Mexico shall contain, at a minimum, a single, 12 mils. high density polyethylene liner designed, constructed and maintained so as to prevent the contamination of fresh water, and protect the public health and the environment. The liner may consist of several sections, overlapped and seam welded to accommodate the internal configuration of the pit. All seams shall be visually inspected prior to use of the pit to insure integrity. The liner will rest smoothly on the pit bed and the inner face of the berms. In locations where temperature variations are significant, wrinkles or folds will be placed at each corner of the pit to allow for the contraction and expansion of the membrane due to temperature variations.
- The soils excavated from the pit shall be used to construct containment berms around the pit perimeter. The liner shall extend to at least the center of the berms. The bed of the pit and inside grade of the berms will be smooth and compacted, free of holes, rocks, stumps, clods, or any other debris that may rupture the liner. In rocky areas, it may be necessary to

cover the pit bed with a felt pad, compacted six-inch layer of sand, or other suitable cushioning materials.

Operation

Care shall be taken to insure that the liner is not cut, punctured, melted or otherwise breached in any location below the active fluid level. If any such breach occurs, Mission shall immediately patch the area in a manner that insures containment integrity.

At any point of discharge into the pit, the discharge shall be directed away from the liner, or the liner will be protected from the fluid force of discharge.

The drilling pit will be fenced or enclosed to prevent access by livestock, and fences shall be maintained in good repair. Active drilling or workover pits may have a portion of the pit unfenced to facilitate operations.

Emergency Pits

An emergency pit may be constructed with a permit to contain fluids, solids, or wastes if an immediate danger to fresh water, public health, or the environment exists. A pit constructed in an emergency shall be constructed, to the extent possible given the emergency; in a manner consistent with New Mexico requirements and that prevent the contamination of fresh water, and protects public health and the environment.

The pit may be used only for the duration of the emergency. All fluids, solids or wastes must be removed within 24 hours after cessation of use unless the division extends that time period.

Closure

Immediately upon cessation of use, the pit will have any visual or measurable layer of oil removed from the surface. Remaining liquids will be removed from the pit to the maximum extent practicable. Remaining solid wastes (i.e. buckets, cans, miscellaneous trash, debris, contaminated solids, etc.) will be removed from the pit. Within six months of cessation of use, dewatering any fluids and carefully folding the berm's walls into the pit will close the pit. Within one year of the completion of the closure, Mission shall contour the surface where the pit was located to prevent erosion and ponding of groundwater.

Closure of pits will be reported on OCD Form C-144, or sundry notices and reports on wells accompanied by the information necessary to evaluate the closure.