

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

Form C-144
June 1, 2004

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

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>Marathon Oil Company</u> Telephone: <u>(505)393-7106 ext. 201</u> e-mail address: <u>dlwilliams@marathonoil.com</u>		
Address: <u>PO Box 2490 Hobbs, NM 88241-2490</u>		
Facility or well name: <u>J. L. Muncy # 14</u>	API #: <u>30-025-37488</u>	U/L or Qtr/Qtr N <u>Sec 24</u> T <u>22S</u> R <u>37E</u>
County: <u>Lea</u>	Latitude <u>32 Degree 22' 18.66"N</u>	Longitude <u>103 Degree 07' 06.05"W</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input checked="" type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Below-grade tank 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.)	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.)	Yes	(20 points)
	No	(0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	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)		10

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 _____ (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:
Pit closure start date will be approximately 6-12-06 and completion date is estimated to be 8-12-06. Soil samples will be gathered to express no ill effects to ground water.
Production string landed 3-18-06 The pit plan is here attached.

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: 5-4-06

Printed Name/Title Dennis Williams HES Technician

Signature Dennis Williams

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: 5/4/06

Marathon Oil Company

General Drilling and Workover Pit Closure Plan

9-15-05

Topsoil will be stripped and stockpiled for use as the final cover of fill at the time of closure.

All drilling and workover pits will be lined with at least a 12 mil synthetic fabric designed to be resistant to the material for which it shall contain.

A 12 mil minimum thickness impervious, reinforced, synthetic liner meeting ASTM standards that is designed to be resistant to the material for which it shall contain will be installed. Padding for the liner will be provided if necessary. Anchorage for the liner will be as per NM OCD guidelines. NM OCD will be contacted 24 hrs. prior to liner installation. All necessary steps will be taken to preserve liner integrity.

Pit area will be fenced at all times, work access will remain open during drilling or workover operations and pits shall be closed according to NM OCD regulations once drilling or work-over operations have ceased.

Once production string has landed:

Pit fluids will be removed as promptly as possible to promote best use of fluids after drilling operations have ceased.

Contents of drilling and workover pits from wells during drilling or workover procedures will be encapsulated below-grade. Encapsulation will be accomplished by folding the edges of the liner over the mud and cuttings once the contents have stiffened sufficiently enough to provide physical stability and support for the pit covering. The encapsulated wastes shall be covered with 20 mil minimum thickness impervious, reinforced, synthetic liner meeting ASTM standards that are designed to be resistant to the material encapsulated; and covered with a minimum of 3' of clean soil or like material that is capable of supporting native plant growth.

If deep trench burial and capping is necessary it will be accomplished by digging a trench adjacent to the drilling or workover pit; lining the trench with an impervious, reinforced, synthetic or fabricated liner at least 12 mils in thickness; mixing earthen materials with the pit contents, as necessary to stiffen the pit contents sufficiently to provide physical stability and support for the trench cap; emplacing the drilling or workover pit contents and liner into the lined trench; folding the edges of the trench liner over the stiffened mud and cuttings; capping the trench with a 1' thick clay layer or a 20 mil minimum thickness impervious, fiber reinforced, synthetic or fabricated liner that is designed to be resistant to the material encapsulated; and covering the cap with a minimum of 3 feet of clean soil or like material that is capable of supporting native plant growth. When constructing the cap, the synthetic liner or clay cap will overlap the underlying pit or trench area by at

least 3 feet in all directions. Once capping of the pit or trench is complete, the synthetic or clay cap will not be disturbed in the future without prior approval of the OCD office. Soil samples will be gathered in a pattern to show no damage to ground water has occurred.

Marathon Oil Company will notify, if possible, the landowner of the property upon which the drilling or workover pit is located of the proposed encapsulation of the wastes prior to conducting the activities.

Upon termination of any required actions, the surface where the pit or below-grade tank was located will be contoured to prevent erosion over the site.

The disturbed area will be reseeded with the appropriate seed mixture as approved by the NM OCD office.

