

**New Mexico Oil Conservation Division, District I**  
**1625 N. French Drive**  
**Albuquerque, NM 88246**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
**Boyd and McWilliams Energy Group**3a. Address  
**550 West Texas Suite 310; Midland, Texas 79701**3b. Phone No. (include area code)  
**800.788.0418**4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**UL-K (NE/4 of the SW/4) 1,980'FSL & 1,980'FWL; Section 22, T13S, R30E**

5. Lease Serial No.

**NM 17226A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**Federal 22 No.1**

9. API Well No.

**30-005-20392-00S1**

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**Chavez County, New Mexico****12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Drill Pit Closure</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**Reclaim drill location and access road consistent with the stipulations in BLM letter #3160(51300). Drilling pit will be closed in accordance with the New Mexico Oil Conservation Division (NMOCD) Pit Rule 50 and BLM consensus. Reference the attached NMOCD form C-144 proposing deep burial of the pit contents in a lined pit to be excavated on site.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)**Pat McCasland (EPI) for Boyd & McWilliams**Title **Senior Environmental Consultant**

Signature



Date

**8.31.06****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**Approved by **/S/ LARRY D. BRAY****Assistant Field Manager,  
Lands and Minerals**Date **SEP 06 2006**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office **ROSWELL FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

EWW

SEP-05-06 11:54 From:

T-444 P.02/02 Job-814

42/006

Division I  
1624 N. French Dr., Hobbs, NM 88240  
Division II  
1501 W. Grand Avenue, Artesia, NM 88210  
Division III  
1000 R/W Service Road, Aztec, NM 87410  
Division IV  
1700 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 87405

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOC 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: Royal & McWilliams Energy Group		Telephone: 1-800-718-0448		e-mail: 3601@rmeg.com	
Address: 550 W. Tipton Drive 310 Midland, Texas 79701					
Facility or well name: Federal 22 W. API #: NM-268267		Uplift/Low (UL/L): K		QW/Q: NE4 SW4	
County: Lea		Latitude: N 33° 10' 24.93"		Longitude: W 108° 54' 53.68"	
NAD83 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> WGS 84 <input checked="" type="checkbox"/>					
Surface OWNER: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>					
Pit			Below-grade tank		
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/>			Volume: bbl Type of Tank		
Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/>			Construction material:		
Liner type: Synthesis <input checked="" type="checkbox"/> Thickness: 20 mil Clay <input type="checkbox"/>			Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.		
Pit Volume: ~3,000 bbl					
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water): >70 ft			Less than 50 feet (20 points) <input type="checkbox"/> 50 feet or more, but less than 100 feet (10 points) <input type="checkbox"/> 100 feet or more (0 points) <input checked="" type="checkbox"/>		
Wellhead protection area: (Less than 300 feet from a private domestic water source, or less than 1000 feet from all other water sources.)			Yes (20 points) <input type="checkbox"/> No (0 points) <input checked="" type="checkbox"/>		
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral streams.)			Less than 300 feet (20 points) <input type="checkbox"/> 300 feet or more, but less than 1,000 feet (10 points) <input type="checkbox"/> 1,000 feet or more (0 points) <input checked="" type="checkbox"/>		
			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 circle box if you are burying in place) circle ☒ other ☐ If other, name of facility: \_\_\_\_\_ (3) Attach a general description of potential action taken including:

remediation start date and end date. (4) Groundwater monitoring: 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 concentrations.

Additional Comments: It is proposed to close this well pursuant to the NMOC Pit and Below-Grade Tank Guidelines, November 1, 2004 as promulgated under NMOC rule 50 (19.15.2.50 NMAC).

Pit Status: Liner intact ☐ Liner damaged or torn ☒

Material Notes: The pit contents will be deep buried on site in a deep pit lined with 20-mil polyethylene meeting ASTM standards designed to be resistant and impervious to the chemical contained. Pit contents will be mixed with carbon materials, as necessary to stabilize the pit contents structurally to provide physical stability and support a pit cover. The stabilized pit contents will be placed in the deep bury pit to within 3 feet of the land surface. The liner edges folded over the contents and a 20-mil polyethylene cover tarp installed. The liner will then be covered with a minimum of three feet of clean soil or like material capable of supporting native plant growth and reseeded. The excavation created by removal of the drill pit will be backfilled with the excavated soil from the deep bury pit only after soil samples from the sides and floor have been found in the laboratory to have acceptable TPH, benzene, BTEX and chloride concentrations, (i.e., TPH = 5,000 mg/kg, benzene = 10 mg/kg, BTEX = 50 mg/kg and a chloride residual not capable of impacting local groundwater in excess of the New Mexico Water Quality Control Commission (WQCC) standard of 250 mg/L).

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 will be closed according to NMOC guidelines (2), a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 8-29-06 Printed Name/Title: Tony McWilliams (Owner) and Royal & McWilliams Energy Group Signature: Tony McWilliams by [Signature]

Your certification and NMOC approved plan application to the appropriate agency of authority should be submitted to the pit or tank to be closed prior to or during the pit or tank closure. Notice to the appropriate agency of authority to complete with any other federal, state, or local laws and regulations.

Approved:

Printed Name/Title:

Pat Caperton for Larry Johnson  
Encl. Eng.

Signature:

Pat Caperton

Date: 9/15/06