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

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

Form C-144

June 1, 2004

Santa Fe, NM 87505		
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: CIMAREX ENERGY Telephone: 505-200-6105 e-mail address: brossy Ropers CAD. Com Address: 2075, MESA, CARLEDRO, NM 88220		
Address: 2075, MESA, CARLEDAD, NM 88220		
Facility or well name CAUSIL WEST 8 FEET API #: 30-025-37276 U/L or Qtr/Qtr P Sec 8 T 155 R 36E		
County: $\frac{103}{19} - \frac{103}{19} - \frac{103}{1$		
Surface Owner: Federal 🗌 State 🗋 Private 🖾 Indian 🗋 ٤ LV, 3925		
<u>Pit</u>	Below-grade tank	
Type: Drilling Production Disposal	Volume:bbl Type of fluid:	
Workover 🔲 Emergency 🗌	Construction material:	
	Double-walled, with leak detection? Yes 🗌 If not, explain why not.	
Liner type: Synthetic Thickness 12 mil Clay		
Pit Volume, 2,000 bbl		
Depth to ground water (vertical distance from bottom of pit to seasonal	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet	(10 points)
high water elevation of ground water.) 75'-80' BSS	100 feet or more	(0 points)
Wellhead protection area: (Loss than 200 fact from a grinter demonstric	Yes	(20 points)
Wellhead protection area: (Less than 200 feet from a private domestic	No	(0 points)
water source, or less than 1000 feet from all other water sources.)		
Distance to surface water: (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
irrigation canals, ditches, and perennial and ephemeral watercourses.)	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	(0 points)
	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 on fisite I If offsite, name of facility		
remediation start date and end date. (4) Groundwater encountered: No Yes I If yes, show depth below ground surface 1/4 ft. and attach sample results.		
(5) Attach soil sample results and a diagram of sample locations and excavations.		
		SED OPPORT
		Recoit
		Hobbs
I howsher cout for the state in formation to be stated at the state in		OCD AND N
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 .		
GUV TOTA		
Date:		
Printed Name/Title DO/SFEN KOBENS Sup T. Signature		
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.	ne operator of its responsibility for compliance with an	y other federal, state, or local laws and/or
Approval:	1.	
Printed Name/Title LJOHANGO · Erver Ro ENGE Signature Valuation Date: 9.19.06		
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PHOCHIX CHVIROHMENTAL LLC

P.O. Box 1856 2113 French Dr. Hobbs, NM 88241-1856 Office 505-391-9685 Fax

Fax 505-391-9687

September 18, 2006

<u>Cimarex Energy</u> 207 S. Mesa Carlsbad, New Mexico 88220

Attn: Mr. Dorsey Rogers

RE: Work Plan to Clean Up the Caudill West 8 Fee # 1 Drilling Pit Located in UL P Sec 8, T15S and R36E of Lea County, New Mexico

Dear Mr. Rogers:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Cemarex Energy, for the opportunity to provide our professional services. Please find attached our work plan for the above listed site.

If you have any questions and/or need more data in regards to projects please call at any time. My cell phone is 505-631-8314.

Sincerely,

Allen Hodge, REM VP Operations Phoenix Environmental LLC



Summary/Overview

The Caudill West 8 Fee # 1 Drilling Pit site should be completed and remediated in accordance with the standards of the NMOCD. It is our understanding that any potential contamination from the site was a result of activities associated with the drilling and production of oil and gas.

The potential contaminates of concern are mid to high-level concentrations of salt water, drilling mud, fluids and cuttings that were left after drilling operations were completed.

The lands primary use is domestic pasture for ranching and the production of oil and gas.

The ground water depth data available for this area showed the depth to ground water to be in the 75' to 80' range BGS.

Pursuant to the standards of the NMOCD, the clean up level for this site will be at <5,000ppm of TPH, <50ppm for BTEX and Chlorides less than <250ppm.

The following scope of work was based on data from our site visit and the requirements of the NMOCD for site clean up.

Scope of Work for Entombment of Impacted Soils

NOTE: Phoenix has prepared this work plan for TFH and for the purpose of this work plan will estimate that there is approximately 2,000cyds of impacted soils and mud at the site that needs to be addressed for site closure.

- 1. First TFH will call One-Call for line spot clearance before any excavation at the site is started.
- 2. TFH will mobilize to the site located north of Lovington, NM equipment and personnel necessary to start and complete the site remediation as required, getting the site back into compliance.
- 3. First the site will be cleared of brush and debris and a staging area set up for site control and safety.



- 4. TFH will move the stockpile of soils on the backside of the pits back to allow room to excavate the tomb to hold the contents of the pit. While leaving the top of the impacted soils at a minimum of three feet below grade, the size of the tomb will need to be 150x30x20 and will yield an estimated 3,333cyds of total material and will hold an estimated 2,700cyds of impacted soils.
- 5. Once the tomb area has been excavated it will be lined with 20mil HDPE bottom and a 20mil sewn on top above the impacted soils before backfilling.
- 6. Impacted soils at the site will then be excavated, transported and placed in the lined tomb area until the top of the impacted soils are at a minimum of three feet below grade.
- 7. TFH will field screen the site during the excavation and once the TPH and CL has dropped below clean up requirements final samples will be taken and sent to a third party lab for analysis.
- 8. Once all of the remediation criteria have been met for site closure and compliance, the site will be backfilled with clean material from the site. The site will be contoured with a slit crown to prevent the ponding of any water and reseeded.
- 9. Once all of the closure criteria have been met, a final closure report will be prepared by TFH. This report will include a summary of remediation operations, findings on-site and lab analysis, site maps and project photos.

If you have any questions and/or need more data in regards to this project please call 505-631-8314 at any time.

Sincerely,

Allen Hodge, REM VP Operations Phoenix Environmental LLC





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