Re: Initial C-144

Hobbs, New Mexico 88240

Chevron USA (O-Grid #4323) Eunice King #32 (Ref. #200135) UL-A, Section 28, Township 21 South, Range 37 East

Dear Mr. Johnson:

Environmental Plus, Inc., on behalf of Chevron USA (Chevron), submits the enclosed New Mexico Oil Conservation Division (NMOCD) Form C-144 and supporting information. Chevron proposes to close the drill pit at the above-referenced well site in accordance with the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 and the "ChevronTexaco Drilling and Reserve Pit Closure General Plan, December 2004." Please direct all official communications to:

Chevron USA
Billy Anderson, HES Champion
P.O. Box 1949
Eunice, New Mexico 88231
Telephone: 505-394-1237

Email: billyanderson@chevron.com

Should you have any questions or concerns, please contact me at (505) 394-3481 or via e-mail at dduncan@envplus.net.

Sincerely,

ENVIRONMENTAL PLUS, INC.

David P. Duncan Civil Engineer



cc: Billy Anderson, Chevron USA

Nathan Mouser, Chevron USA Kennann Estate, Landowner

File

Enclosures: Topographical Map

Site Location Map

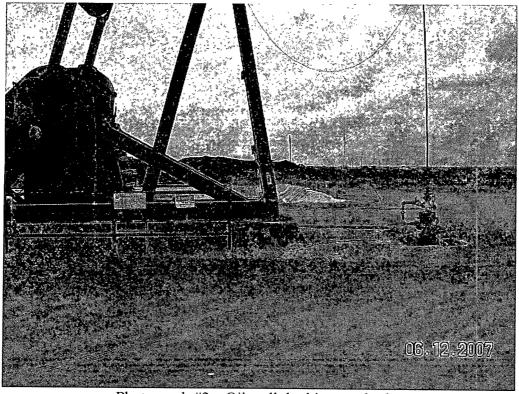
Site Map

Groundwater Map Well Data Table Photographs

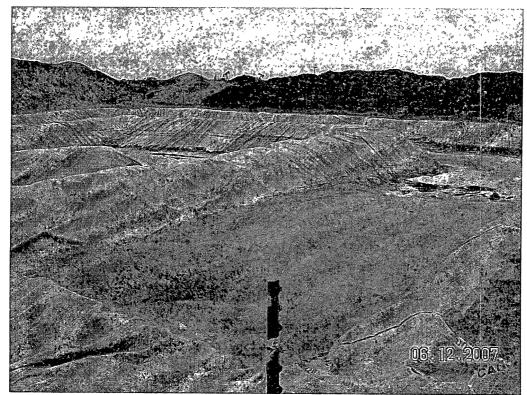
NMOCD Form C-144



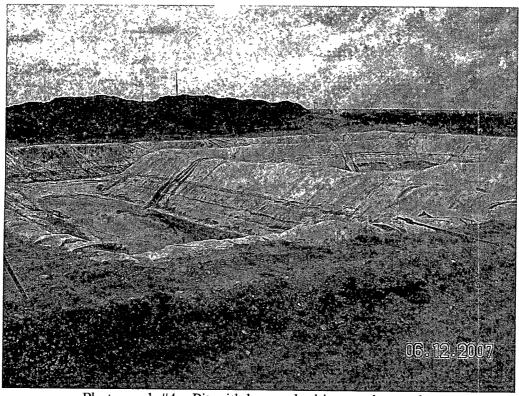
Photograph #1- Lease sign.



Photograph #2 – Oil well, looking northerly.



Photograph #3 – Pit with berms, looking northwesterly.



Photograph #4 – Pit with berms, looking northeasterly.

District I 1625 N. French Dr., Hobbs, NM 88240 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

Form C-144

June 1, 2004

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 \(\) Telephone: 505-394-1237 e-mail address: billyanderson@chevron.com Operator: Chevron USA (O-Grid #4323) Address: PO Box 1949 2401 Avenue O Eunice, New Mexico 88231 330 FNL 1310 FEL API#: 30-025-38336 Unit Letter (UL): A Section: 28, T21S, R37E Facility or well name: Eunice King #32 Latitude: N 32* 27' 22.5" Longitude: W 103* 09' 49.1" NAD: 1927 ☐ 1983 ☐ WGS 84 ☒ County: Lea Surface Owner: Federal ☐ State ☐ Private ☒(Kennann Estate) Indian ☐ Below-grade tank Pit Type: Drilling \(\subseteq \text{Production} \subseteq \subseteq \text{Disposal} \subseteq \text{Workover} \subseteq \text{Emergency} \subseteq \limits bbl Type of fluid: Volume: Lined Unlined Construction material: Liner type: Synthetic ☑ Thickness 20 mil Clay ☐ Double-walled, with leak detection? Yes I If not, explain why not Pit Volume: ~3,000 bbl Less than 50 feet (20 points) \sqcap Depth to ground water (vertical distance from bottom of pit to seasonal high water \boxtimes 50 feet or more, but less than 100 feet (10 points) elevation of ground water.) ~74' bgs 100 feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic water No (0 points) source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, irrigation 200 feet or more, but less than 1,000 feet (10 points) canals, ditches, and perennial and ephemeral watercourses.) 1.000 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 arc burying in place) onsite offsite I 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: It is proposed to close this pit consistent with the "ChevronTexaco Drilling and Reserve Pit Closure General Plan, December 2004" and the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 as promulgated under NMOCD Rule 50 (19.15.2.50 NMAC). Pit Status: Liner intact Liner punctured or torn Method of Closure: The pit will be closed via in situ encapsulation which consists of mixing earthen materials to stiffen pit contents sufficiently to provide physical stability and support a pit cover. Upon stiffening pit contents as required, the edges of the pit liner will be folded over the edges of the stiffened mud and cuttings. The pit will be covered with a 20-mil thick impervious, reinforced synthetic polyethylene liner meeting ASTM Standards designed to be resistant to encapsulated material. The liner will be covered with a minimum of three (3) feet of clean soil or like material capable of supporting native plant growth. 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 NMOCD guidelines X, a general permit X, or an (attached) alternative OCD-approved plan ...

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 CHRIS W/LY AMS /DIST SURV, Signature Whis Welliam

9-07 Printed Name/Title Billy Anderson, HES Champion