

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

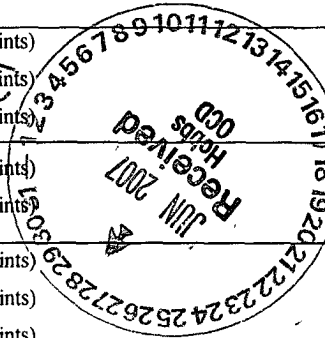
Form C-144
June 1, 2004

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: <u>HRC Inc.</u> Telephone: <u>393-6662</u> e-mail address: <u>Garymschubert@AOL</u>		
Address: <u>P.O. Box 1606 Hobbs, NM 88241</u>		
Facility or well name: <u>Schubert 1#1</u> API #: <u>30-025-36781</u> U/L or Qtr/Qtr <u>SEA</u> Sec <u>7</u> T <u>19</u> R <u>39</u>		
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/> <u>2313 From S 2313 E line</u>		
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 <u>2000</u> 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. <u>WTR 75-85</u>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet <input checked="" type="checkbox"/> (20 points) 50 feet or more, but less than 100 feet <input checked="" type="checkbox"/> (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 <input checked="" type="checkbox"/> (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 <input checked="" type="checkbox"/> (0 points)	
Ranking Score (Total Points) <u>10</u>		

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: <u>Traditional Deep Bury Upon conclusion we will submit samples to the OCD.</u>

*Samples (for chloride) are to be obtained from pit floor area in each quadrant and analysis submitted to NMOCD prior to back-filling.

I hereby certify that the information above is true and complete to the best of my knowledge and that the pit or tank described has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general plan <input type="checkbox"/> , or an alternative OCD-approved plan <input type="checkbox"/> .		
Date: <u>6/12/07</u>	Printed Name/Title <u>L.D. Seely-Dudenhoeffer mgr.</u> Signature <u>L.D. Seely-Dudenhoeffer</u>	
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: <u>CONDITIONS * (2)</u>	Printed Name/Title <u>L. JOHNSON - ENVIR ENGR</u> Signature <u>L. Johnson</u> Date: <u>7.3.07</u>	

① * NOTIFY OCD PRIOR TO COMMENCING OPERATIONS

**Diamondback**
DISPOSAL SERVICES, INC.

P.O. Box 2491 • Hobbs, NM 88241

Office: (505) 392-9996 • Fax: (505) 392-9376

June 25, 2007

H.R.C Inc.
Attn: Gary Schubert
PO Box 5011
Hobbs, NM
Ph: (505) 631-9062

RE: Schubert 7 Well #1

Dear Mr. Schubert,

On behalf of Diamondback Disposal Services, Inc. (Diamondback) I would like to take this time to thank you for allowing us to be part of the above mentioned project. Diamondback is pleased to submit an estimate for the following scope of work.

Scope:

Provide all equipment and personnel necessary to excavate a traditional deep bury trench. Supply and install 20 mil liner. Solidify and place drill cuttings in trench, and sew on 20 mil cap. Collect package and ship, with COC, confirmation samples to an independent third party Lab. Backfill excavation and dress to grade.

Estimated Clean-up Cost..... \$ 14,000.00
8% Fuel Surcharge.....\$ 1,120.00

NOTE: COST APPLIES FOR ONLY ITEMS MENTIONED ABOVE AND DOES NOT INCLUDE APPLICABLE TAXES.
IN THE EVENT BLASTING IS REQUIRED, ADDITIONAL COSTS WILL BE ADDED.
An 8% FUEL SURCHARGE WILL BE ADDED TO ALL WORK TICKETS.

Diamondback appreciates the opportunity to provide you with an estimate for the above-mentioned project. We look forward to working with you on this project as well as future projects. Please feel free to contact our office at (505) 392-9996 for any questions or additional information.

Thank you,

Justin Roberts
President

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: Range: Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All

AVERAGE DEPTH OF WATER REPORT 06/27/2007

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
L	19S	39E	07				5	65	110	80

Record Count: 5

**Gary M. Schubert Farms
P O Box 6056
Hobbs, New Mexico 88241
(505) 393-6662**

June 12, 2007

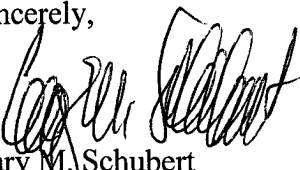
H.R.C., Inc.
P O Box 5102
Hobbs, New Mexico 88241

RE; Schubert 7 Number 1 Well (Section 7-19-39)

Dear Sir,

I am in receipt of a copy of your proposed pit closure plan (form C-144 and attachment). It is my opinion that an onsite (burial in place) burial of the drilling pit would be adequate. I have reviewed the proposal from Diamondback Disposal Services and the procedure is acceptable. I am willing to accept this procedure as long as it is acceptable to the New Mexico Oil Conservation Division.

Sincerely,



Gary M. Schubert
Surface Owner