

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: Encore Operating, L.P. Telephone 817-877-9955 e-mail address: awiley@encoreacq.com
Address 777 Main Street, Ste. 1400 Fort Worth, Tx. 76102
Facility or well name: Encore "6" State Com API #: 30-025-38000 U/L or Qtr/Qtr F Sec 6 T 17S R 35E
County: Lea Latitude N32°52'00 7" Longitude W103°29'538.9" NAD 1927 X 1983 ☐
Surface Owner: Federal ☐ State X Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling X Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined X Unlined <input type="checkbox"/> Liner type Synthetic X Thickness 12 mil Clay <input type="checkbox"/> Pit Volume 14000 bbl	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 X (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 X (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 X (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:

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: 07/11/2006

Printed Name/Title Ann Burdette Wiley/ Sr. Regulatory Analyst 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.

Approval:

Printed Name/Title

PETROLEUM ENGINEER

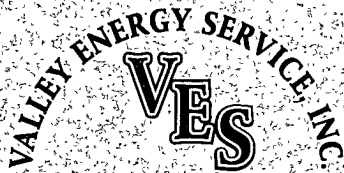
Signature

Date:

JUL 17 2006

P.O. Box 207
Loving, N.M. 88256-0207

valleyenergy@plateautel.net



(505) 706-7234 Cell

(505) 706-9121 Cell

(505) 236-6006 Fax

September 10, 2007

Larry Johnson
NMOCD District 1 Office
1625 N. French Dr
Hobbs, New Mexico 88240

RE: **Encore Operating LP**
777 Main Street Suite 1400
Forth Worth, Texas 76102

Lease: Encore 6 State 001
API: 30-025-38000
Sec 6-T17S-R35E
1650' FNL & 1650' FWL

Depth to Ground Water: 75'
Planned Analytical Testing: Chlorides
Site Ranking Score: 10 (ten)
Primary Land Use: Ranching and Oil & Gas Production

Pursuant to Pit Rule 50 of the New Mexico Oil Conservation District of the State of New Mexico regulatory requirement for pit closure, please accept the following documentation for final closure of the drilling pit for the aforementioned location.

An Insitu burial trench was excavated and lined with 12mil liner. All drill cuttings were stiffened and transferred to the lined Insitu trench. Upon transferring all pit contents to the lined burial trench, field tests were performed on the soil within in the confines of the original drill pit. The field results of chloride delineation of the impacted material are as follows (a diagram has also been attached):

Q1 11' 95mg/kg Q2 11' 90mg/kg

Pursuant to NMOCD Pit Rule 50, a 20mil liner was placed on top of the Insitu trench to seal in the impacted soils and the stiffened drill cuttings. The pit area was backfilled with clean native material and contoured to the surrounding terrain.

Soil samples were collected, prepared and packaged per EPA guidelines and forwarded to Trace Analysis in Lubbock, Texas for official analytical testing. Please find the official analytical results attached hereto.

Please review the attached documentation and contact me at 505-706-9121 with any questions or concerns.

Sincerely,

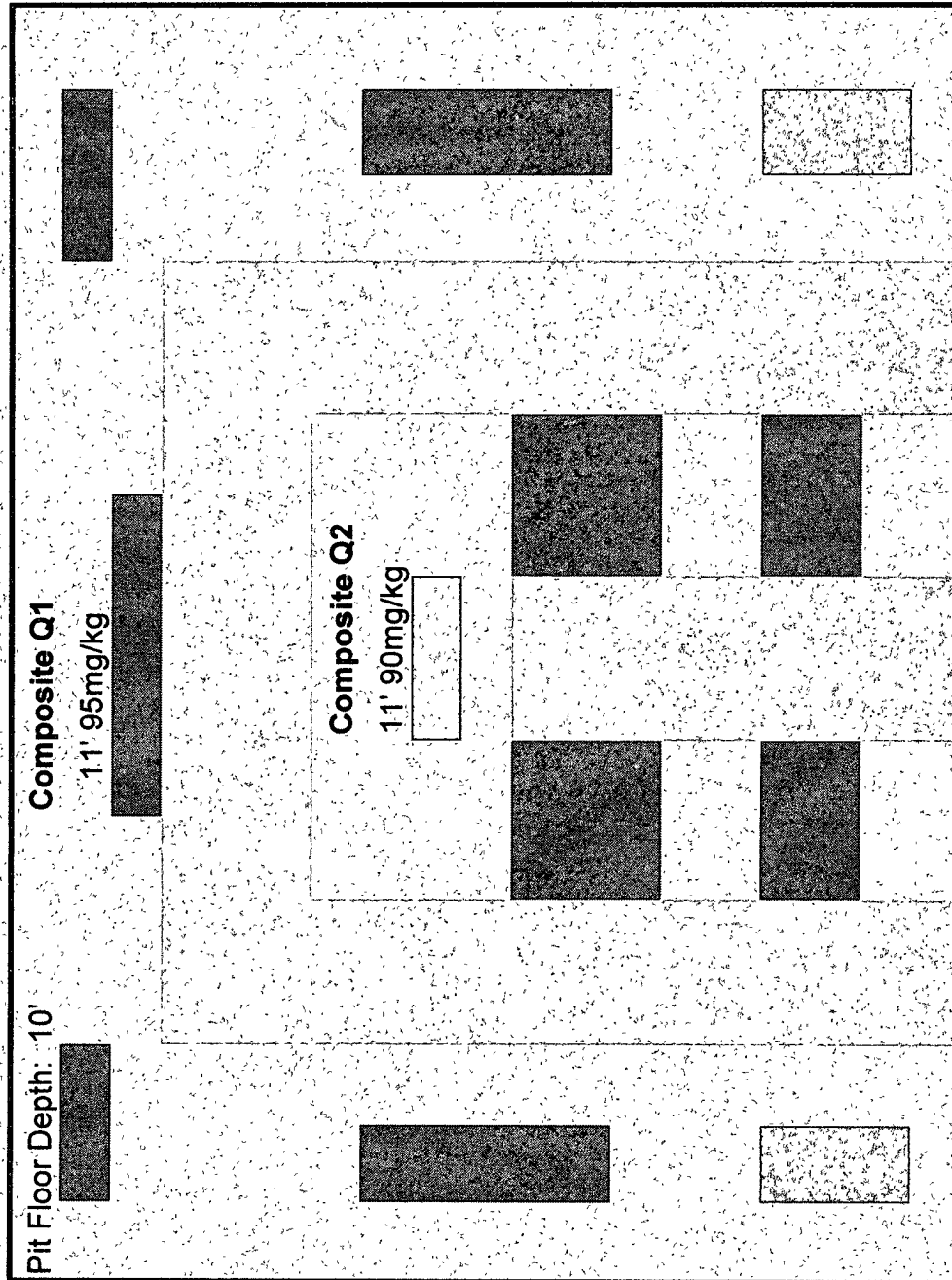
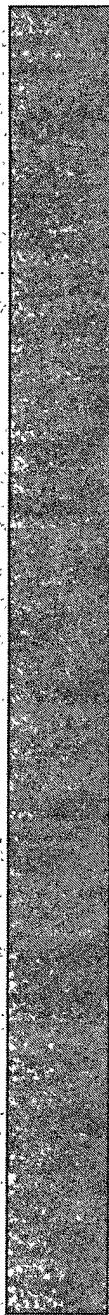
Shelly J. Tucker
Environmental Consultant

/sjt

Closure approval
Chris Williams
11/14/07

Encore 6 State 001
Field Results
9/10/2007

Lined Burial
Trench



*** NOTE: AT 13' EXCAVATED INTO A GOOD CLAY LAYER