<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District III
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 Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

## Pit. Closed-Loop System, Below-Grade Tank, or

Proposed Alternative Method Permit or Closure Plan Application
Type of action:    X   Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method   Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method   Modification to an existing permit   Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: _MEWBOURNE OIL COMPANY OGRID #:_14744
Address: PO BOX 5270 HOBBS NM 88241
Facility or well name: _UPLAND 23 FEDERAL COM #1
U/L or Otr/Otr D Section 23 Township 20S Range 35E County: LEA
Center of Proposed Design: Latitude N 32° 33' 48" Longitude W 103° 25' _56" NAD: ⊠ 1927 ☐ 1983
Surface Owner:   Federal State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC
Below-grade tank: Subsection I of 19.15.17.11 NMAC  Volume:bbl Type of fluid:  Tank Construction material:  Secondary containment with leak detection
5.
Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

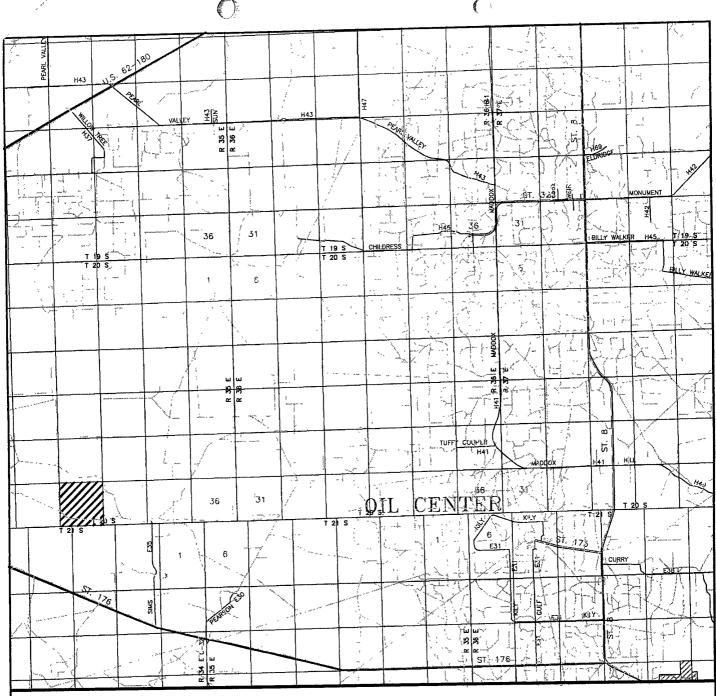
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school,	hospital		
institution or church)	,		
X Four foot height, four strands of barbed wire evenly spaced between one and four feet			
Alternate. Please specify			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)  Screen Netting Other  Monthly inspections (If netting or screening is not physically feasible)			
Signs: Subsection C of 19.15.17.11 NMAC  12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  Signed in compliance with 19.15.3.103 NMAC			
Administrative Approvals and Exceptions:  Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  Please check a box if one or more of the following is requested, if not leave blank:  Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval.  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for		
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.			
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes X No		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes X No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applies to temporary, emergency, or cavitation pits and below-grade tanks)  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes X No		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applies to permanent pits)  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.  - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes X No		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes X No		
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes X No		
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes X No		
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes X No		
Within a 100-year floodplain FEMA map	Yes X No		

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application: Please indicate, by a check mark in the box, that the documents are
attached.  Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC  Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number: or Permit Number:
12. Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.  Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design)  API Number:
Previously Approved Operating and Maintenance Plan API Number:(Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.  Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Climatological Factors Assessment  Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC  Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Quality Control/Quality Assurance Construction and Installation Plan  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  Preeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Nuisance or Hazardous Odors, including H <sub>2</sub> S, Prevention Plan  Emergency Response Plan  Oil Field Waste Stream Characterization  Monitoring and Inspection Plan  Erosion Control Plan  Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: X Drilling X Workover
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.  □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)  □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  □ Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids,	1 Steel Tanks or Haul-off Bins Only: (19.15.17.13. I. d.	NMAC) nore than two		
facilities are required.	Disposal Facility Permit Number: R9166			
Disposal Facility Name:CRI	Disposal Facility Permit Number:			
Will any of the proposed closed-loop system operations and associated activities of	•	rice and operations?		
Yes (If yes, please provide the information below) X No		ice and operations:		
Required for impacted areas which will not be used for future service and operation of Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection o	te requirements of Subsection H of 19.15.17.13 NMAC n I of 19.15.17.13 NMAC			
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Database search; USG	ata obtained from nearby wells	<ul><li>☐ Yes X No</li><li>☐ NA</li></ul>		
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Da	ata obtained from nearby wells	X Yes No No NA		
Ground water is more than 100 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Database search;	ata obtained from nearby wells	☐ Yes X No ☐ NA		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other si lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes X No		
Within 300 feet from a permanent residence, school, hospital, institution, or churchy Visual inspection (certification) of the proposed site; Aerial photo; Satellia	ch in existence at the time of initial application.  te image	☐ Yes X No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that le watering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes X No		
Within incorporated municipal boundaries or within a defined municipal fresh was adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approx		☐ Yes X No		
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Vis	ual inspection (certification) of the proposed site	☐ Yes X No		
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD-Minim	ng and Mineral Division	☐ Yes X No		
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geolo Society; Topographic map	gy & Mineral Resources; USGS; NM Geological	☐ Yes X No		
Within a 100-year floodplain FEMA map		☐ Yes X No		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC  Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC  Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC  Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

sitt.

Operator Application Certification:  I hereby certify that the information subm	nitted with this application is true	e, accurate and complete to the bes	st of my knowledge and belief.
Name (Print): Charles Martin		Title: _Engineer	
Signature: Charly & A	eatie	Date: _07/29/08	
e-mail address:cmartin@mewbourne.com		Telephone: 575-393-5	905
OCD Approval: Permit Application	(including closure plan) Clo	A	1 -1 (
OCD Representative Signature:	Topail	<u></u>	Approval Date: 9/18/08
Title:	eologist	OCD Permit Number:	P1-00467
21. Closure Report (required within 60 day Instructions: Operators are required to o The closure report is required to be subm section of the form until an approved clo	obtain an approved closure plan uitted to the division within 60 d	prior to implementing any closu ays of the completion of the closu I the closure activities have been	
		Closure Completion	on Date:
22. Closure Method:  ☐ Waste Excavation and Removal ☐ ☐ If different from approved plan, pleas		Alternative Closure Method	Waste Removal (Closed-loop systems only)
two facilities were utilized.	y or facilities for where the liqui	ds, drilling fluids and drill cuttin	and Steel Tanks or Haul-off Bins Only: gs were disposed. Use attachment if more than Number:
Disposal Facility Name: Disposal Facility Name:			Number:
Were the closed-loop system operations a  Yes (If yes, please demonstrate cor	nd associated activities performe	d on or in areas that will not be us	
Required for impacted areas which will not be a Site Reclamation (Photo Document Soil Backfilling and Cover Installate Re-vegetation Application Rates are	ation) tion	operations:	
mark in the box, that the documents are Proof of Closure Notice (surface of Proof of Deed Notice (required for Plot Plan (for on-site closures and Confirmation Sampling Analytical Waste Material Sampling Analytical Disposal Facility Name and Permit Soil Backfilling and Cover Installa Re-vegetation Application Rates ar	attached. wher and division) on-site closure) emporary pits) Results (if applicable) al Results (required for on-site cl Number tion ad Seeding Technique	osure)	he closure report. Please indicate, by a check
On-site Closure Location: Latitude		Longitude	NAD: □1927 □ 1983
Operator Closure Certification:  I hereby certify that the information and a belief. I also certify that the closure compound (Print):	olies with all applicable closure r	equirements and conditions specif	complete to the best of my knowledge and fied in the approved closure plan.
Signature:		Date:	
e-mail address:			



SNMAS-08NM- 3/49-A

UPLAND "23" FEDERAL #1
Located 870' FNL and 1125' FWL
Section 23, Township 20 South, Range 35 East,
N.M.P.M., Lea County, New Mexico.

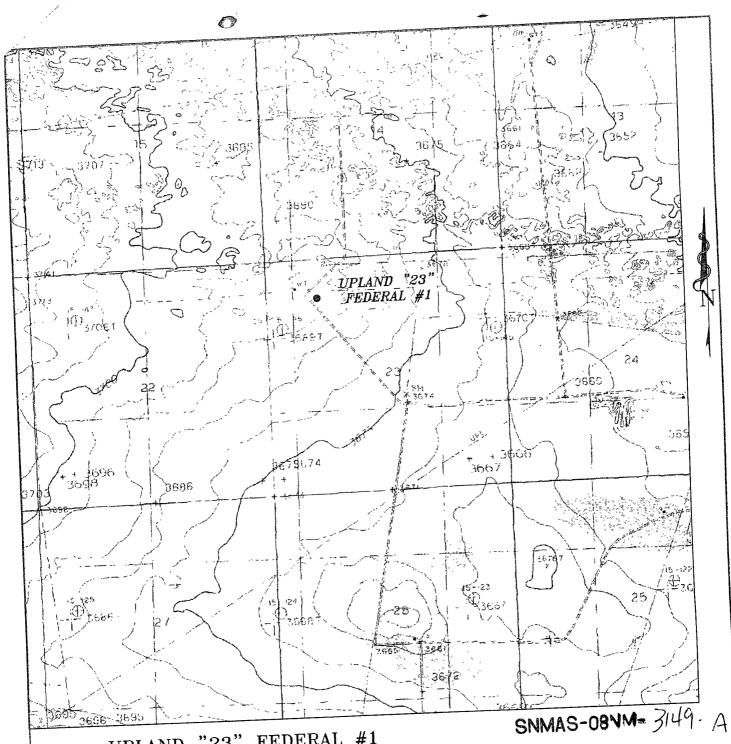
ORIGILAL



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number: 19761 JMS
Survey Date: 05—15—2008
Scale: 1" = 2 MILES
Date: 05-20-2006

MEWBOURNE OIL CO.



UPLAND "23" FEDERAL #1
Located 870' FNL and 1125' FWL
Section 23, Township 20 South, Range 35 East,
N.M.P.M., Lea County, New Mexico.

OPIGINAL



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 — Office (505) 392-3074 — Fax basinsurveys.com

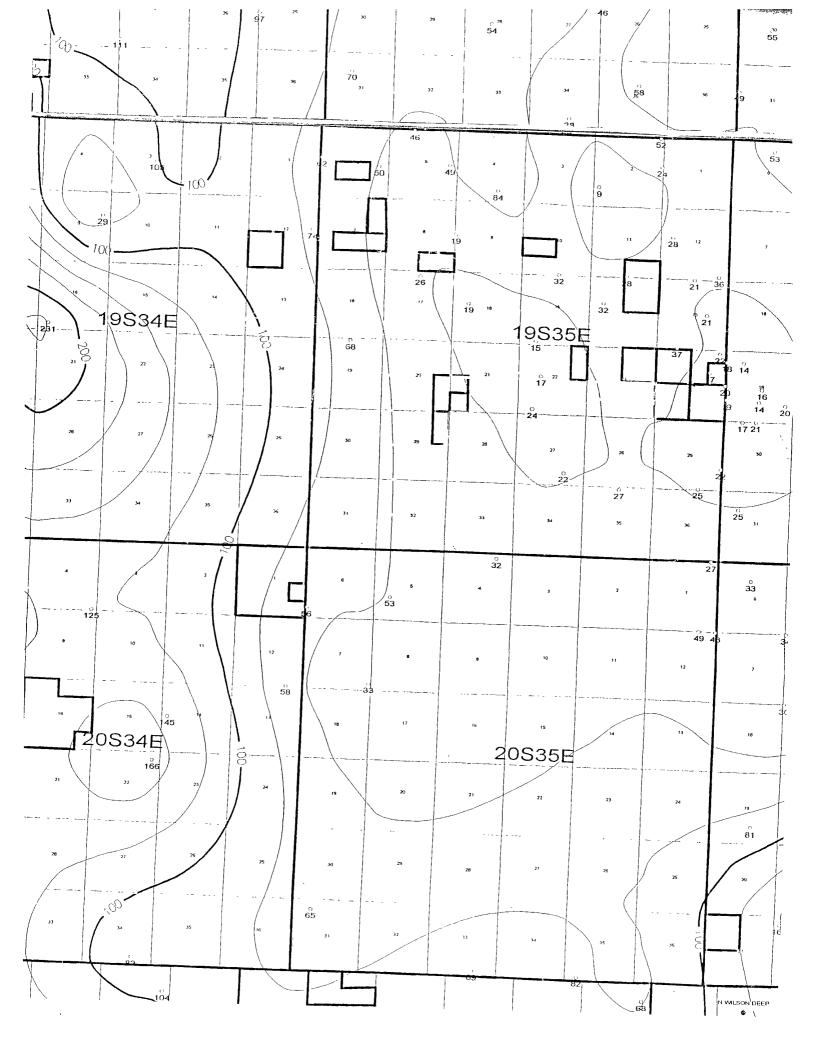
W.O. Number: '9761 JVS

Survey Date: 05-15-2008

Scale: 1" - 2000'

Date: 05-20-2008

MEWBOURNE OIL CO.



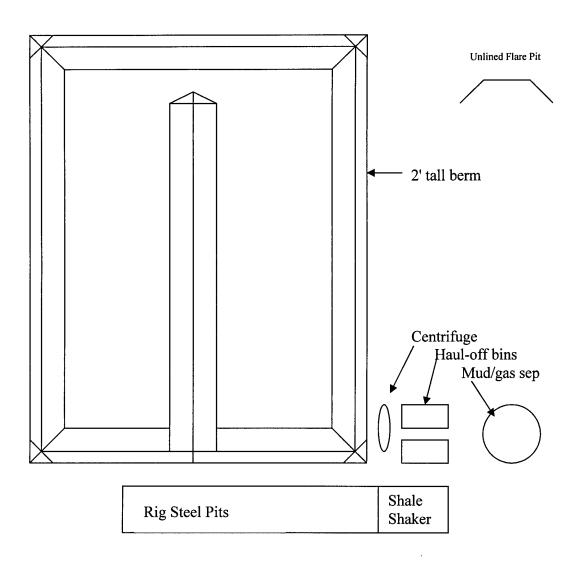
#### Temporary Pit Operating and Maintenance and Closure Plan

Temporary pit will be built in a single horse shoe as shown in the attached drawing. The pit will only be utilized for "fresh" water-based fluids. Brine water fluids will be hauled off location and disposed of in an approved facility. Drilling cuttings in the high chloride sections of the well will collect in haul-off bins and will be disposed at either Lea Land Farm or CRI. Drilling cuttings in the low chloride sections of the well will collect in the temporary pit. The temporary pit will be dewatered and solids will be buried in a deep trench on site.

#### Contingency-

If the temporary pit does not meet the required specifications to bury on site, material will be disposed of at Lea Land Farm or CRI.

## **Temporary Pit Design and Construction**



Pit Dimensions:

Peak Width: 100'. Floor Width: 76' Peak Length: 120' Floor Length: 96'

Floor is 6' below GL.

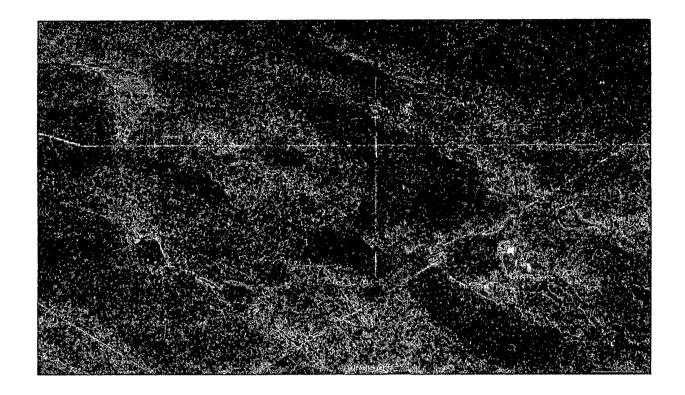
Perimeter berm is 2' above GL. All walls are built with 2:1 slope.

Pit is fenced on 3 sides with barbed wire before & during drilling operations. Fourth side will be installed after drilling operations are completed.

Pit is lined with 20 mil string reinforced LLDPE installed with 18" anchor trench.

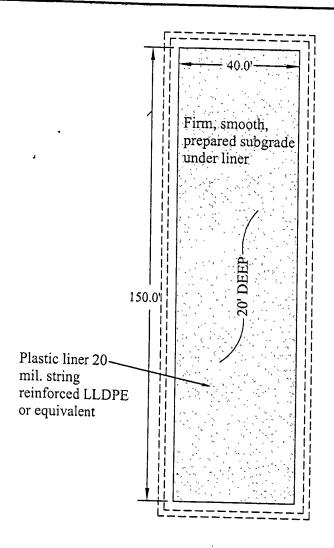
Approximate volume including 2' freeboard: 14,400 bbl.

Google Maps Page 1 or 1



#### On-Site Closure Plan

- Siting Criteria: See attachments.
- Proof of Surface Owner Notice: See attached letter that has been sent to land owner.
- Construction/Design Plan of Burial Trench: See attachment.
- **Burial Trench:** In compliance with 19.15.17.13 NMAC, material form temporary pit will be stiffened with a maximum 3:1 ratio and placed in a lined 20mil burial trench with approximate dimensions of 150x40x20. A 20mil lid will be placed on top of the burial cell to seal in the impacted material. Upon excavation all applicable soil testing will be performed pursuant to Pit Rule 17 to verify the limits set by the NMOCD have been obtained. A copy of the analytical data will be attached to the Final Report.
- Sampling Plan: In compliance with Subsection F of 19.15.17.13 NMAC a five point composite sample will be taken from the floor of the excavation and the burial contents.
- Soil Cover Design: In compliance with Subsection H of 19.15.17.13 NMAC three foot of native material will be placed over the burial trench and the excavated pit area with one foot of top soil to ensure re-vegetation.
- Re-vegetation Plan: In compliance with Subsection I of 19.15.17.13 NMAC the area will be re-seeded with native vegetation.
- Site Reclamation Plan: In compliance with Subsection I of 19.15.17.13 NMAC the impacted and disturbed area will be re-contoured to surrounding terrain.
- Marker: Mewbourne Oil Company requests an exception to the placement of the permanent maker. It is of our opinion that the permanent marker will be better served if it is placed at the corner of the burial cell in native undisturbed soil rather than in the center of the burial area. In the area of the burial cell the material is not as compact and we feel could pose future problems with the stability of the permanent marker. The permanent marker will have all required information permanently listed on it.
- **Deed:** In compliance with 19.15.17.13 NMAC a deed will be filed with the county clerk and an approved copy will be attached to the final report.



# Site Overhead View



Date: 07/22/2008

Scale: Not To Scale

Drawn By: SJA

Mewbourne Oil Company
Bradley 6 Federal 1
Eddy County, New Mexico
Pit Liner Site Plain

On the 16th day of May, 2008 Mewbourne Oil Co. visually inspected the Upland 23 Federal Com # 1 location in Unit Letter D of Sec 23, T20 S, R35 E, of Lea County, NM with the API # pend: -ng.

This is to certify that upon visual inspection of the above mentioned location there are no permanent residences, schools, hospitals, institutions or churches within 300 feet. The location is not within 500 feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, nor within 1000 horizontal feet of any other fresh water well or spring, nor within 500 feet of a wetland, nor within 300 feet of a continuously flowing water course, nor within 200 feet of any other significant watercourse or lakebed, sinkhole or playa lake (measured from the ordinary high-water mark).

Signature: Uranhus 1 mates Date: 7-30-08

## MEWBOURNE OIL COMPANY 701 S. CECIL PO BOX 5270 HOBBS, NM 88240 (575) 393-5905 (575) 397-6252 FAX

July 30, 2008

S&S PO Box 1046 Eunice, NM 88231

Dear Patrick Sims:

This letter is to inform the surface owner that the well listed below will require a temporary pit to be constructed & closed, as required by the NMOCD, adjacent to the well site location.

Upland 23 Fed Com #1 Unit Letter D Sec 23, T20S, R35E Lea Co., NM

Thank you,

Charles Martin

## MEWBOURNE OIL COMPANY 701 S. CECIL PO BOX 5270 HOBBS, NM 88240 (575) 393-5905 (575) 397-6252 FAX

July 30, 2008

S&S PO Box 1046 Eunice, NM 88231

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Upland 23 Fed Com #1 Unit Letter D Sec 23, T20S, R35E Lea Co., NM

Thank you,

Charles Martin

Oracles L. Montos