

District I
1625 N. French
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Santa Fe, NM 87505
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

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: ☐ 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.

1.
Operator: CAZA OPERATING, LLC OGRID #: _____
Address: 200 N. LORRAINE, ST., SUITE 1550, MIDLAND, TX 79701
Facility or well name: MUD SLIDE SLIM "15" FEDERAL COM #
API Number: 30-025-38469 OCD Permit Number: NM 99048 PI-00224
U/L or Qtr/Qtr F Section 15 Township 20S Range 34E County: LEA
Center of Proposed Design: Latitude N 32.574818 Longitude W 103.549746 NAD: ☒ 1927 ☐ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness 20 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☒ String-Reinforced
Liner Seams: ☒ Welded ☐ Factory ☐ Other _____ Volume: 5000 bbl Dimensions: L 150' x W 150' x D 20'

3.
☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4.
☐ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: _____ bbl Type of fluid: _____
Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

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.

6.

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*)
- ☒ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

7.

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)

8.

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

9.

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 office for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10.

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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA
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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

11.

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 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)

13.

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
- ☐ Liner Specifications and Compatibility Assessment - 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
- ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Nuisance or Hazardous Odors, including H₂S, 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

14.

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: ☒ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System

☐ Alternative

Proposed Closure Method: ☒ Waste Excavation and Removal

☐ Waste Removal (Closed-loop systems only)

☐ On-site Closure Method (Only for temporary pits and closed-loop systems)

☐ In-place Burial ☐ On-site Trench Burial

☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

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 I of 19.15.17.13 NMAC
- ☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16. **Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:
☐ 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 I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17. **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; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
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; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> 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; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

18. **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
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ 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

19.
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

20.
OCD Approval: ☒ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: _____ Approval Date: 11/20/08

Title: **Geologist** OCD Permit Number: P1-00224

21.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: 9-19-08

22.
Closure Method:
☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain.

23.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:
☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

24.
Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

☒ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure)
☐ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☐ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

25.
Operator Closure Certification:
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Richard L. Wright Title: OPERATIONS MGR

Signature: Richard L. Wright Date: 11-6-08

e-mail address: RWright@CAZAPETRO.com Telephone: 432 682 7424

WASTE EXCAVATION AND REMOVAL CLOSURE PLAN

**TEMPORARY MUD RESERVE
PIT CLOSURE PLAN**

**Mud Slide Slim Fed Com #1
Lea County, New Mexico**

Prepared for:

CAZA Operating, LLC

API Well #30-025-38469

Prepared by:

South Environmental Services, Inc.

October 2008

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AMMENDMENTS

AMMENDMENT 1: Closure Report Attachments

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FIGURES

FIGURE 1:	Site Aerial Photograph
FIGURE 2:	Site Topographic Map
FIGURE 3-8:	Site Design Plans and Sampling Plans

APPENDICES

APPENDIX A:	iWATERS Database Printout
APPENDIX B:	FEMA Floodplain Map Printout
APPENDIX C:	Analytical Sampling Results

1.0 INTRODUCTION

On behalf of CAZA Operating, South Environmental Services, Inc. has prepared this Closure Plan in compliance with the Oil Conservation Districts (OCD) regulations. The site is located approximately 10.3 miles east of the intersection of Highway 62/180 and County Road 176 southwest of Hobbs, New Mexico. Topographic and Aerial Maps have been provided as Figures 1 & 2.

2.0 SITING CRITERIA COMPLIANCE DEMONSTRATION

2.1 Groundwater Depth and Water Well Information

Groundwater depth for the site is greater than 150' below surface elevation. The nearest water well is 3,574' in a westerly direction at a ranch windmill. The depth can be confirmed by the ranch owner. iWATERS information on the windmill well is incomplete and the nearest well information available is over 10 miles away. Appendix A contains a printout of the iWATERS database information.

2.2 Significant Watercourse

As illustrated in the Topographic Map (Figure 2) attached, there are no significant flowing watercourses, lakebeds, sinkholes, or playa lakes within 300' of the site.

2.3 Permanent Structure

As illustrated in the Aerial Photograph (Figure 1) attached, there are no permanent residences, schools, hospitals, institutions, or churches within 300' of the site.

2.4 Water Well Location

As illustrated in the Topographic Map (Figure 2) and iWATERS printout (Appendix A) attached, there are no wells (private, domestic, or natural) or fresh water springs within 1000' of the site.

2.5 Wetland

As illustrated in the Topographic Map (Figure 2) attached, the site does not fall within 500' of a wetland.

2.6 Unstable Area

As illustrated in the Topographic Map (Figure 2) attached, the site does not fall within 500' of an unstable area.

2.7 100 Year Floodplain

As illustrated in the attached FEMA map (Appendix B), the site falls within an unmapped area for FEMA Floodplain information. As all 100 year floodplain areas are marked and mapped on the FEMA map, the site does not fall within a floodplain area.

3.0 PROTOCOLS AND PROCEDURES

As illustrated in the attached Figures, the Excavation and Backfill procedures have followed all applicable protocols and rules outlined in 19.15.17.10 NMAC. All liquids have been removed prior to excavation process and the in place soil was mixed at a 3 to 1 ratio. South has taken special care to ensure all impacted soils are included in excavation and disposal. As outlined, an approved state disposal facility has been utilized for waste disposal.

4.0 CONFIRMATION SAMPLING PLAN

As illustrated in the attached figures, confirmation sampling has taken place after impacted material has been disposed of. The confirmation samples were taken for each sidewall (North, South, East and West) as well as a Bottom Hole. All confirmation sample results meet regulatory requirements. Analytical results are attached as appendix C.

5.0 DISPOSAL FACILITY NAME AND PERMIT NUMBER

Lea Land, LLC, Permit #: NM-01-035

6.0 SOIL BACKFILL AND COVER DESIGN AND SPECIFICATIONS

Please see the attached figures for design and specifications. As illustrated, the soil cover has been an adequate backfill material, compacted and non-waste containing, from top of cap (>4' below ground surface) to >1' below ground surface and topsoil to surface grade.

7.0 RE-VEGETATION PLAN

The attached Figure 7, & 8 show the re-vegetation plan. As illustrated, the re-vegetation has taken place with a minimum of 70% native perennial vegetative cover consisting of at least 3 native plant species, including at least one grass and no noxious weeds. Cover shall be maintained through 2 successive growing seasons.

8.0 SITE RECLAMATION PLAN

Site reclamation has been accomplished through several steps. As illustrated in the attached figures, the original surface grade has been established with the reserve pits and re-vegetation has taken place as described above. Additionally, site photo documentation may be seen below.



Well Sign

CAZA OPERATING LLC
MUD SLIDE SLIM 15 FED #1
SEC. 15-T20S-R34E
1980' ENL & 1980' FWL
LEA CO. NM99048
API #3002538469

Planting Rates & Totals
1.1 Acres Being Planted 70 Bush Pounds

Item	Grain	Protein	Grain	Protein	Total P/L	Total P/L
Barley	15.00%	00.00%	00.00%	00.00%	00.00	15.00
Wheat	20.00%	20.00%	34.00%	34.00%	10.00	12.00
Alfalfa	25.00%	47.00%	47.00%	89.00%	03.00	20.00
Protein	18.00%	00.00%	00.00%	00.00%	00.00	02.00
Total	78.00%	67.00%	81.00%	84.00%	13.00	49.00

Notes: 1. 1.1 Acres Being Planted 70 Bush Pounds
2. 1.1 Acres Being Planted 70 Bush Pounds
3. 1.1 Acres Being Planted 70 Bush Pounds

Seed Mixture



Re-Vegetation

AMMENDMENT

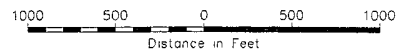
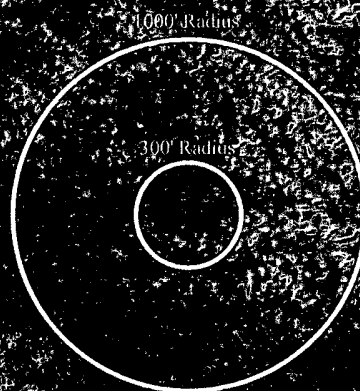
1.0 PROOF OF CLOSURE NOTICE


Mud Slide Slim Fed Com #1 is on Bureau of Land Management property. The BLM has been notified of site closure activities.

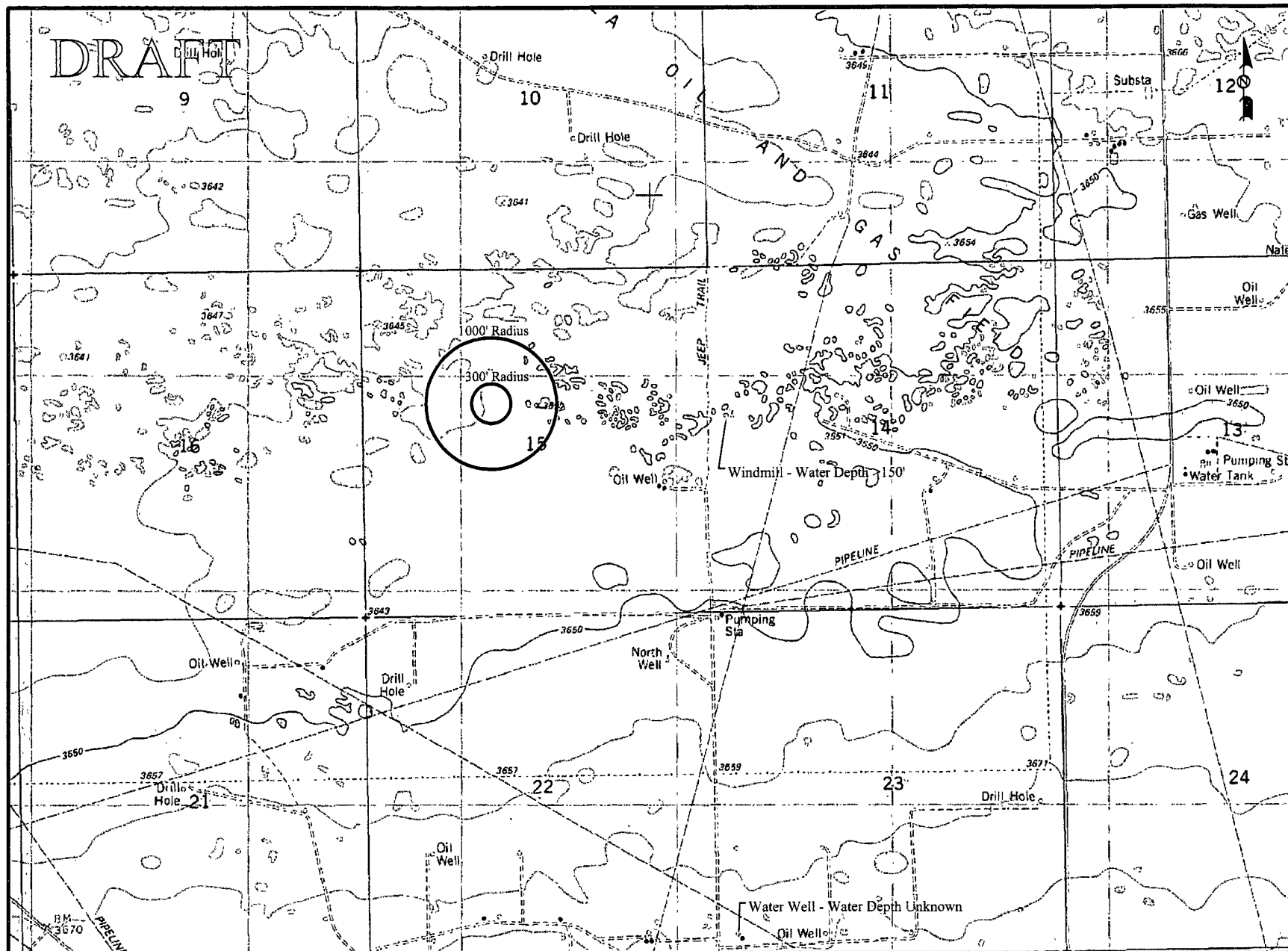


FIGURES

DRAFT




Mud Slide Stim Fed Com #1	API Well #: 30-025-38469	 Figure 1 Aerial Photograph South Environmental Services, Inc.
Lat 32.574818 N	Sec 15, T-20-S, R-34-E	
Long 103 549746 W	Lea County, NM	
Drawn By JDJ	Project Manager RN	
July 7, 2008	Scale: 1" = 1000'	

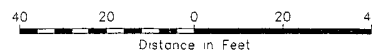
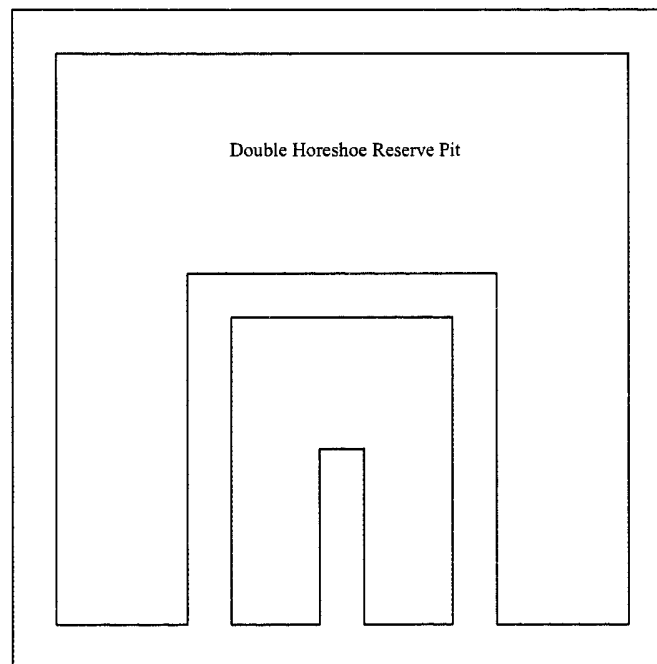


Mud Slide Sim Fed Com #1	API Well #. 30-025-38469
Lat. 32.574818 N	Sec. 15, T-20-S, R-34-E
Long. 103.549746 W	Lea County, NM
Drawn By: JDJ	Project Manager RN
July 7, 2008	Scale: 1" = 2000'

Figure 2
USGS Topographic Map

 South Environmental Services, Inc.

DRAFT



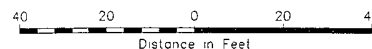
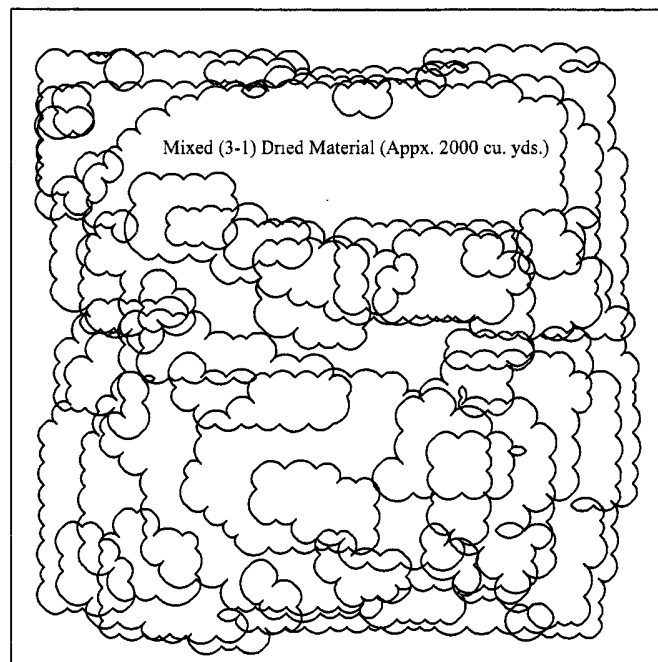
Mud Slide Slim Fed Com #1	API Well # 30-025-38469
Lat. 32 574818 N	Sec 15, T-20-S, R-34-E
Long 103 549746 W	Lea County, NM
Drawn By: JDJ	Project Manager RN
July 7, 2008	Scale: 1" = 40'


Figure 3
Pit Design



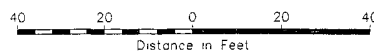
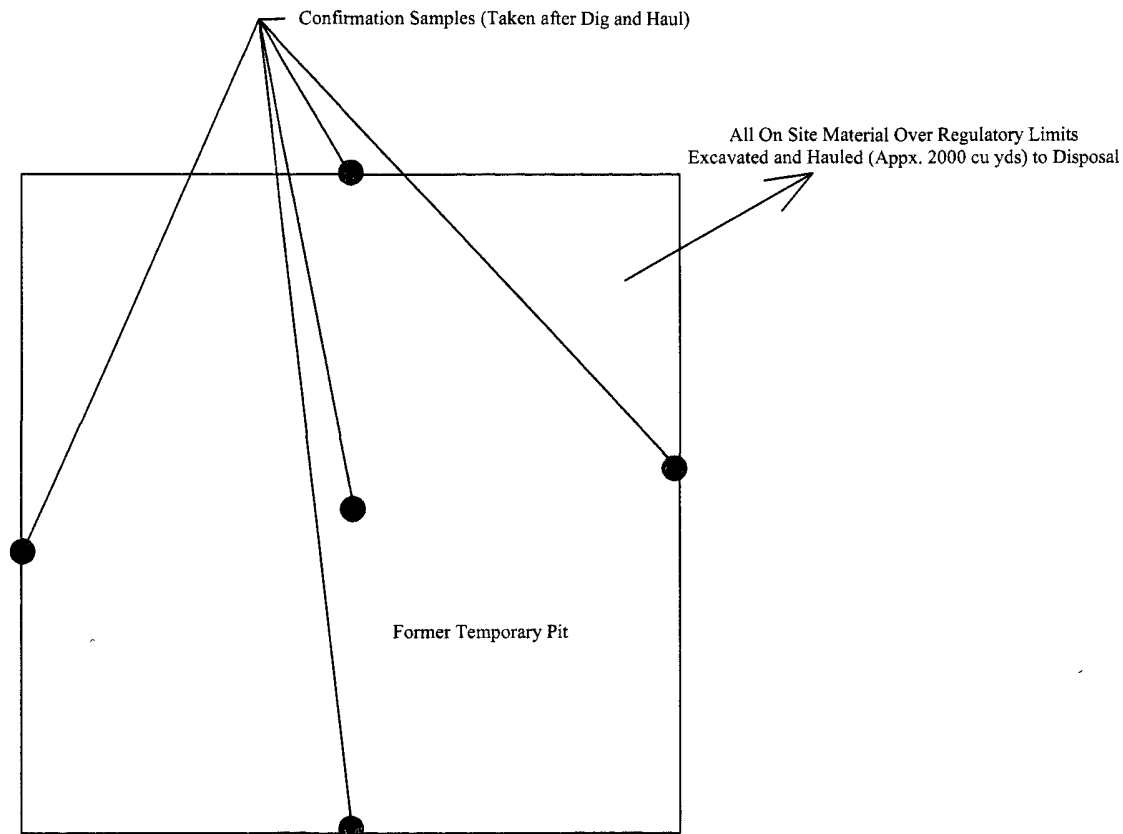
South Environmental Services, Inc.

DRAFT




Mud Slide Slim Fed Com #1	API Well # 30-025-38469	 Figure 4 Mixing and Drying Procedures South Environmental Services, Inc.
Lat. 32 574818 N	Sec 15, T-20-S, R-34-E	
Long 103 549746 W	Lea County, NM	
Drawn By: JDI	Project Manager RN	
July 7, 2008	Scale: 1" = 40'	

DRAFT

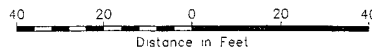
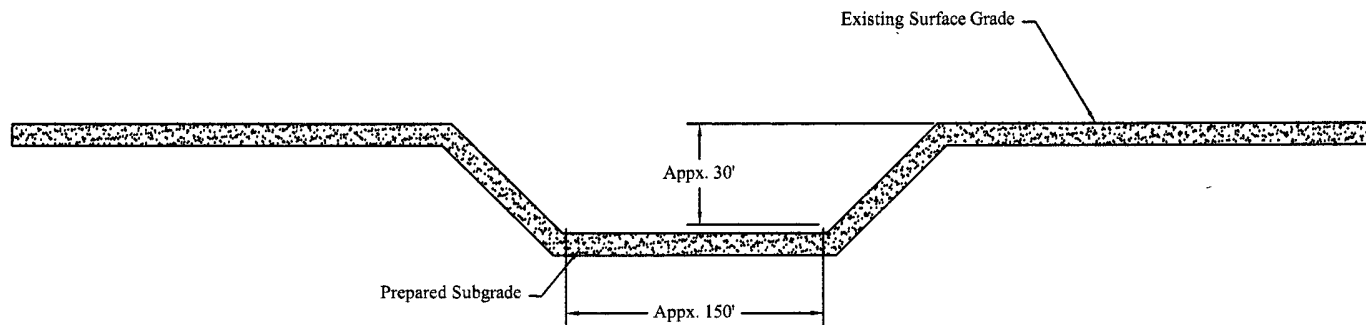


Mud Slide Slim Fed Com #1	API Well # 30-025-38469
Lat 32.574818 N	Sec 15, T-20-S, R-34-E
Long 103 549746 W	Lea County, NM
Drawn By: JDJ	Project Manager RN
July 7, 2008	Scale: 1" = 40'

Figure 5
Sample Locations and Material Removal


 South Environmental Services, Inc.

DRAFT

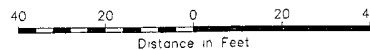
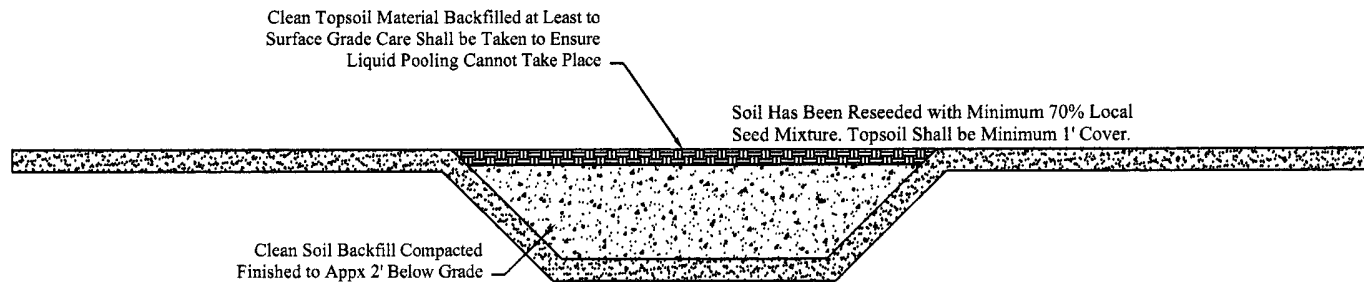



Mud Slide Slim Fed Com #1	API Well # 30-025-38469
Lat 32 574818 N	Sec 15, T-20-S, R-34-E
Long 103.549746 W	Lea County, NM
Drawn By: JDJ	Project Manager RN
July 7, 2008	Scale 1" = 40'

Figure 6 Cross Section
Backfill Procedures

 South Environmental Services, Inc.

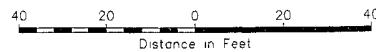
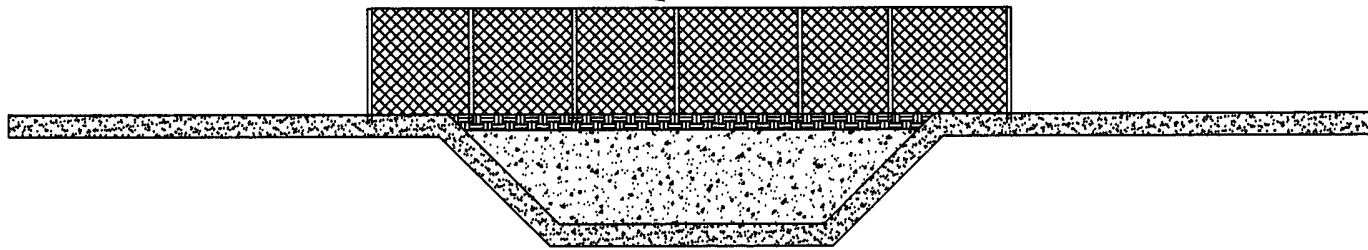
DRAFT




Mud Slide Slim Fed Com #1	API Well # 30-025-38469	<p>Figure 7 Cross Section Backfill and Re-Vegetation Procedures</p>  <p>South Environmental Services, Inc.</p>
Lat 32 574818 N	Sec 15, T-20-S, R-34-E	
Long 103 549746 W	Lea County, NM	
Drawn By: IDJ	Project Manager: RN	
July 7, 2008	Scale: 1" = 40'	

DRAFT

If Necessary, the Re-Vegetation will be protected from traffic, using appropriate measures, which may included fencing.



Mud Slide Slim Fed Com #1	API Well # 30-025-38469	<p>Figure 8 Cross Section Site Re-Vegetation and Reclamation</p>  <p>South Environmental Services, Inc.</p>
Lat 32 574818 N	Sec 15, T-20-S, R-34-E	
Long 103 549746 W	Lea County, NM	
Drawn By JDJ	Project Manager RN	
July 7, 2008	Scale: 1" = 40'	

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 20S Range: 34E Sections: 15,14,22,23

NAD27 X Y Zone: Search Radius:

County: Basin: Number: Suffix:

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

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

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POD / SURFACE DATA REPORT 07/07/2008

DB File Nbr	Use	Diversion	Owner	POD Number	Source	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)				X Y are in Feet			UTM are in Meters)			Start Date	Finish Date	
						Tws	Rng	Sec	q	q	q	q	Zone	X	Y			UTM_Zone
CP 00567	DOM	0	PHILLIPS PETROLEUM COMPANY	CP 00567 EXP		20S	34E	23	3	3	1					13	637227	3602793
CP 00655	STK	0	MARK SMITH	CP 00655 DCL		20S	34E	14	1	3						13	637294	3605108

Record Count: 2

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 20S Range: 34E Sections: 15,,14,,22,,23

NAD27 X: 741383 Y: 573719 Zone: E Search Radius: 500000

County:

Basin:

Number:

Suffix:

Owner Name: (First)

(Last)

☐ Non-Domestic☐ Domestic☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

WATER COLUMN REPORT 07/07/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

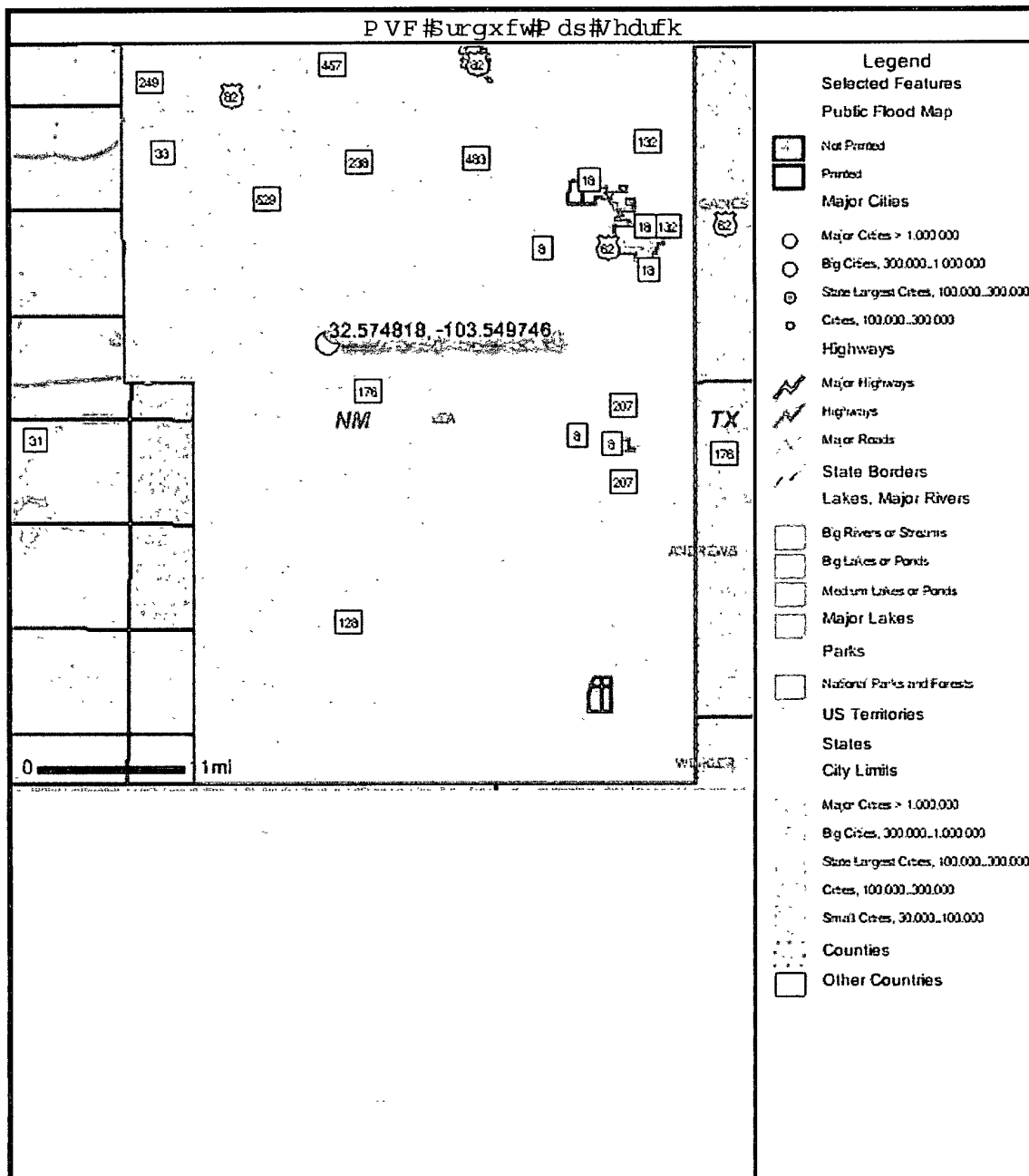
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water (in feet) Column
CP 00655 DCL	20S	34E	14	1	3							
CP 00567 EXP	20S	34E	23	3	3	1						
CR 03654							E	254675	722525	150		
CR 01895							E	307100	1036700	102	20	82
CR 03335							E	360107	1051730	226	16	210
RG 54778	14S	01W	01	4	2	2	E	726120	771000	501		


Record Count: 6



APPENDIX B

FEMA Map





APPENDIX C

Analytical Results



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • MOBBES, NM 88240

ANALYTICAL RESULTS FOR
CAZA OPERATIONS
ATTN: RICHARD WRIGHT
200 N. LORAIN
MIDLAND, TX 79701
FAX TO: (432) 682-4182

Receiving Date: 09/17/08
Reporting Date: 09/19/08
Project Number: 15 #1
Project Name: MUD SLIDE SLIM, FEDERAL
Project Location: LEA COUNTY, NM

Sampling Date: 09/17/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: ZL

LAB NUMBER SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE	09/18/08	09/18/08	09/18/08	09/18/08
H15940-1 SW @5'	<0.050	<0.050	<0.050	<0.150
H15940-2 NE @5'	<0.050	<0.050	<0.050	<0.150
H15940-3 CS @5'	<0.050	<0.050	<0.050	<0.150
H15940-4 NW @5'	<0.050	<0.050	<0.050	<0.150
H15940-5 SE @5'	<0.050	<0.050	<0.050	<0.150
Quality Control	0.054	0.046	0.047	0.161
True Value QC	0.050	0.050	0.050	0.150
% Recovery	108	92.0	94.0	107
Relative Percent Difference	0.6	0.7	0.6	1.3

METHOD: EPA SW-846 8021B

TEXAS NELAP CERTIFICATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES.


Chemist


Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



ARDINAL LABORATORIES

PHONE (575) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
CAZA OPERATIONS
ATTN: RICHARD WRIGHT
200 N. LORAIN
MIDLAND, TX 79701
FAX TO: (432) 682-4182

Receiving Date: 09/17/08
Reporting Date: 09/18/08
Project Number: 15 #1
Project Name: MUD SLIDE SLIM, FEDERAL
Project Location: LEA COUNTY, NM

Sampling Date: 09/17/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: AB/TR

LAB NUMBER SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (C ₁₀ -C ₂₈) (mg/kg)	TOTAL TPH (mg/kg)	CI* (mg/kg)
	09/18/08	09/18/08	09/18/08	09/18/08
H15940-1 SW @ 5'	<25.0	<25.0	<100	16
H15940-2 NE @ 5'	<25.0	<25.0	<100	64
H15940-3 CS @ 5'	<25.0	<25.0	<100	32
H15940-4 NW @ 5'	<25.0	<25.0	<100	16
H15940-5 SE @ 5'	<25.0	<25.0	<100	96
Quality Control	452	420	334	490
True Value QC	500	500	300	500
% Recovery	90.4	84.0	111	98.0
Relative Percent Difference	10.3	2.8	0.6	2.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; EPA 418.1; CI: Std. Methods 4500-CI-B

*Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

H15940 TPH2CL CO

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