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 For drilling and production facilities, submit appropriate NMOCD District Office. For downstream facilities, submit to Santa Fc office

Form C-1

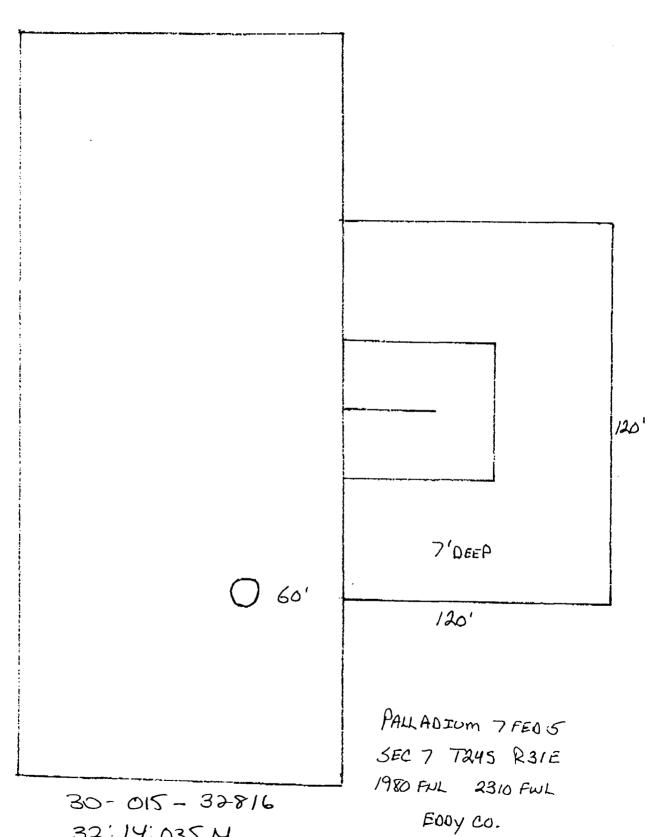
March 12, 20

Pit or Below-Grade Tank Registration or Closure

	covered by a "general plan"? Yes [ ] No [X] elow-grade tank	
Address: 1.0. DOX 10040, Midiand, 17 /0/02-		
Facility or well name: Palladium 7 Fed #5 API#: 30-01		
County: Eddy Latitude 32:14:035N Longitude 103	149: USDN NAD: 1927 1983 Surface Ow	ner Federal 🛛 State 🗌 Private 🔲 Indian [
Pit	Below-grade tank	
Type: Drilling Production Disposal	Volume:bbl Type of fluid:	
Workover  Emergency	Construction material:	
Lined Unlined	Double-walled, with leak detection? Yes  If not, explain why not.	
Liner type: Synthetic  Thickness mil Clay Volume	Double-Walled, Will tell colored Will India Capitali Wily India	
bbl		
	Less than 50 feet	(20 points) RECEIVED
Depth to ground water (vertical distance from bottom of pit to seasonal high	50 feet or more, but less than 100 feet	(20 points) RECEIVED
water elevation of ground water.)	100 feet or more	(O points) FEB 0 2 2005
	100 100 100 100 100 100 100 100 100 100	NED-ARTESIA
Wellhead protection area: (Less than 200 feet from a private domestic	Yes	(20 points)
water source, or less than 1000 feet from all other water sources.)	No	( 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	( 0 points)
	Ranking Score (Total Points)	
If this is a pit closure: (1) attach a diagram of the facility showing the pit's	s relationship to other equipment and tanks. (2) Indica	ate disposal location:
onsite 🗵 offsite 🗌 If offsite, name of facility		
end date. (4) Groundwater encountered: No 🖾 Yes 🔲 If yes, show depth below ground surfaceft. and attach sample results. (5) Attach soil sample results		
and a diagram of sample locations and excavations.		
I hereby certify that the information above is true and complete to the best of been/will be constructed or closed according to NMOCD guidelines $\boxtimes$ , and Date: $1/26/05$	my knowledge and beliet. I further certify that the general permit , or an (attached) alternative O	: above-described pit or below-grade tank h  CD-approved plan □.
Date: 1/26/05	_ Signature Cashy Will	1
Printed Name/Title Cathy Wright, Sr Eng Tech Signature Cathy Wift		
Your certification and NMOCD approval of this application/closure does no otherwise endanger public health or the environment. Nor does it relieve the regulations.	t relieve the operator of liability should the contents of operator of its responsibility for compliance with any	f the pit or tank contaminate ground water or y other federal, state, or local laws and/or
Approval:	77)	
Date Suld Sul		
Printed Name/Title 2005 Signature		

## Pit Closing Procedure:

Pits are dewatered. Dirt contractor digs a deep bury pit adjacent to the drilling pit. Deep bury pit is lined with 12 mil plastic. Dirt contractor pushes contents of drilling pit into the deep bury pit. Deep bury pit is capped with 20 mil plastic then covered with 3 feet of fill dirt.



32:14:035 M

103: 49:086W