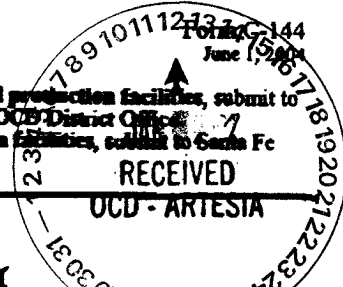


Fax sent by : 4326872521
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

81-13-87 13:58 Pg: 3/3
For drilling and production facilities, submit to appropriate NMOCB 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: LCX Energy LLC Telephone: 432-687-1575 E-mail address: larryg@ccronline.com
Address: 10 N. Main St. 2nd, Midland, TX 79701
Facility or well name: 1724 State Canal API #: 30-015-34542 U/L or Q/L: P Sec: 21 T: 175 R: 24E
County: Eddy Latitude: N 32 48 55.995 Longitude: W 104 25 15.716 NAD: 1927 ☐ 1983 ☒
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness: <u>12</u> mil Clay ☐ Pit Volume: <u>11000</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ 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 (10 points) <u>XX</u> 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 (0 points) <u>XX</u>
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) <u>XX</u>
	Running Score (Total Points) <u>10 points</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 when 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: Work plan for the closure of drilling pit. The drilling pit contents will be mixed to stiffen the pit contents. An encapsulation trench will be excavated and lined with a 12 mil synthetic liner on former drilling pit site. Drilling pit contents will then be emplaced into the encapsulation trench. A 20 mil synthetic liner will then be placed over the pit contents with a min of a 3' over lap of the underlying trench area. Then encapsulation trench will then be backfilled back to grade using a min of 3' of clean soil and like material. A one call and 48 hr notice will be provided to the Oil Conservation Division before pit closure actions begin. Pit closure actions will begin 1 week after permit approval.

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 NMOCB guidelines ☐, a general permit ☐, or an (attached) alternative OCB-approved plan ☐.

Date: 11/15/07
Printed Name/Title: Larry Gillette Operations Mgr Signature: [Signature]
Your certification and NMOCB 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: Jim W. Green Signature: [Signature] Date: 11/17/07
Printed Name/Title: District II Supervisor