

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 ☒

SEP 10 2007

OCD-ARTESIA

Operator <u>MURCHISON OIL & GAS, INC.</u> Telephone <u>972-931-0700</u> e-mail address <u>ctracy@jdmn.com</u>	
Address <u>1100 MIRA VISTA BLVD PLANO, TX 75093</u>	
Facility or well name <u>PENASCO STATE COM #2</u> API # <u>30-015-34706</u> U/L or Qtr/Qtr <u>A</u> Sec <u>30</u> T <u>18S</u> R <u>25E</u>	
County <u>EDDY</u> Latitude _____ Longitude _____ NAD 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>	
Pit Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>30000</u> bbl	Below-grade tank 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 (10 points) 100 feet or more X (0 points) 0
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) 0
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) 0
Ranking Score (Total Points)	

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
Covered up cellar and reserve pit We have postponed drilling of the well for an indefinite period
Will file a new APD to drill at later date, or close location as needed
Tommy Folsom spoke to Mike Bratcher w/ OCD and verbal approval was given by phone 8/07

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 9/6/2007

Printed Name/Title MICHAEL S. DAUGHERTY

Signature Michael S. Daugherty

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 _____

Signed By Mike Bratcher

Signature _____

Date _____

SEP 20 2007

(B)



VIA CERTIFIED MAIL

September 6, 2007

SEP 10 2007
OCD-ARTESIA

State of New Mexico
Oil Conservation Division
District II
1301 W Grand Avenue
Artesia, New Mexico 88210-2834

**RE: PENASCO STATE COM #2
SEC. 30, T18S, R25E
EDDY COUNTY, NM.**

Gentlemen

Please find Form C-144 attached for the referenced well

If you have any questions please give me a call

Very truly yours,

MURCHISON OIL & GAS, INC.

Michael S. Daugherty
Michael S Daugherty *ct*

MSD/ct/PenascoSC#2-FmC144

Encl