

PRIDE ENERGY COMPANY

(918) 524-9200 • Fax (918) 524-9292 • www.pride-energy.com

Physical Address: Kensington Tower
2250 East 73rd Street, Suite 550
Tulsa, OK 74136

Mailing Address: P.O. Box 701950
Tulsa, OK 74170-1950
Email Address: mattp@pride-energy.com

September 10, 2008

New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

COPY

Via Certified Mail
Return Receipt #
91 3408 2133 3931 4291 4048

ATTN: Larry Johnson

RE: West Lovington "19" State #1
API #: 30-025-37306
Section 19-16S-36E: 2305' FSL and 330' FEL
Lea County, New Mexico

RECEIVED

OCT 16 2008
HOBBSOCD

Dear Larry,

In reference to the above described well, please find attached a copy of my letter to the NMOCD dated June 6, 2008 and Form C-144 (with original signature) requesting approval to close the pit.

Thank you Larry, and if there are any questions, please feel free to contact me at 918-524-9200.

Sincerely,

Matthew L. Pride

Matthew L. Pride
Pride Energy Company

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

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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 ☒

Operator: Pride Energy Company Telephone: (918) 524-9200 e-mail address: mattp@pride-energy.com
Address: P.O. Box 701950, Tulsa, OK 74170
Facility or well name: West Lovington "19" State Well No. 1 API #: 30-025-37306 U/L or Qtr/Qtr I Sec 19 T 16S R 36E
County: Lea Latitude 32.93124 Longitude 103.38304 NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☐ Unlined ☒

Liner type: Synthetic ☐ Thickness mil Clay ☐

Pit Volume 14000 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) |
| 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) |

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 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:

Although this pit was constructed when the location was built for the drilling of this well, this pit was not used as a drilling pit. A closed-loop system was used during the drilling phase of this well.

Soil sample results and sample locations are attached.

We request approval to close this pit.

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: 10/9/09 By: Pride Production Co., Inc. By: Matthew L. Pride

Printed Name/Title Title: General Partner Title: President

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 Signature Date:

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