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

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

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No X Type of action: Registration of a pit or below-grade tank 💆 Closure of a pit or below-grade tank 🕏 Telephone: 432/685-1761 e-mail address: cmorgan@sdxresources.com perator: SDX Resources, Inc. API #: _30.425-____U/L or Qtr/Qtr__K___Sec__9__T_18S__R_27E__ Address: PO Box 5061, Midland, TX 79704 'acility or well name: CC Federal #5 NAD: 1927 🔲 1983 🔲 Surface Owner Federal X State 🔲 Private Indian 🗍 County: Eddy 2310' FSL 1650' FWL ٩t Below-grade tank vpe: Drilling X Production Disposal Volume: bbl Type of fluid: RECEIVED Workover X Emergency Construction material: MAY 0 5 2005 Double-walled, with leak detection? Yes

If not, explain why not. ined X Unlined 🔲 DOD: WILLIAM iner type: Synthetic X Thickness _12_mil Clay [it Volume 8000 bbl Less than 50 feet (20 points) lepth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) vater elevation of ground water.) 10 100 feet or more (0 points) Yes (20 points) Vellhead protection area: (Less than 200 feet from a private domestic No (0 points) 0 rater source, or less than 1000 feet from all other water sources.) (20 points) Less than 200 feet Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) rigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) 10 **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 your 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: 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 X, a general permit [], or an (attached) alternative OCD-approved plan []. Date: __5/4/05_ Printed Name/Title_Chuck Morgan, Engineer_ 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: MAY Printed Name/Title

Signature