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**

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

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

office

Form C-144

June 1, 2004

Pit or Below-Grade	Tank	Registration	or Closure

RECEIVED Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \) No \(\frac{\text{X}}{\text{X}} \)

Type of action: Registration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\frac{\text{X}}{\text{X}} \) JUN 1 2 7006 _e-mail address: jimmyc@for1.com Fasken Oil and Ranch, Ltd. Telephone: 432 687-1777 Operator: 303 West Wall, Suite 1800 Midland, TX 79701 Address: ___Sec 32 Facility or well name: State "32" Com No. 3 API#: 30-015-34535 U/L or Qtr/Otr Eddy County: Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner: Federal ☐ State XX Private ☐ Indian ☐ Below-grade tank Pit Type: Drilling v Production Disposal Volume: bbl Type of fluid: Workover ☐ Emergency ☐ Construction material: Lined X Unlined Double-walled, with leak detection? Yes If not, explain why not. Liner type: Synthetic Thickness 12 mil Clay Pit Volume _____bbl 24000 Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 50 feet or more, but less than 100 feet (10 points) high water elevation of ground water.) 100 feet or more (0 points) 0 183' Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic (0 points) Nο 0 water source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 0 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 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. Nearest water well is approximately 2000' to the south, depth unknown. Additional Comments: to groundwater is 183' confirmed in the drilling of the Neely Com NO. 1 in the SE/4 of Section 29, T20S, T25E, Eddy County, New Mexico See attached for proposed pit closure procedure. 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 .

6/5/06

Printed Name/Title Jimmy D. Carlile Reg. Affairs

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

JUN 1 6 2006

Fasken Oil and Ranch, Ltd.

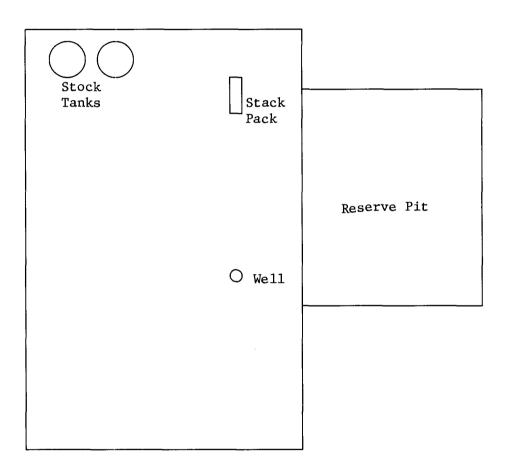
State "32" Com No. 3

Pit Closure Proposal

Fasken Oil and Ranch, Ltd. proposes to close the reserve pit at the State "32" Com No. 3 in the following manner.

Pit contents are completely dried out and the original liner is undisturbed. We propose to lay a 20 mil synthetic liner over the existing pit and backfill the pit with a minimum of 3' of clean material, compacted and contoured to match the surrounding terrain.

State 32 No. 3



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