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 ☒

Operator: Fasken Oil and Ranch, Ltd. Telephone: 432 687-1777 e-mail address: jimmyc@forl.com
Address: 303 West Wall, Suite 1800 Midland, TX 79701
Facility or well name: Pegasus "10" Fed No. 1 API #: 30-015-34714 U/L or Qtr/Qtr D Sec 10 T 21S R 24E
County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume _____ bbl 24000	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.) 160'	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (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 No	(20 points) (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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	0
	Ranking Score (Total Points)		0

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: Nearest water well is approximately 5200' to the Southeast in Section 10.

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 ☒.**

Date: 7/31/06
Printed Name/Title Jimmy D. Carlile Reg Affairs Signature [signature]

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

Signature _____

USGS information shows this area to be water sensitive.

Please submit a plan that can be approved for a sensitive area or schedule a meeting where other water data can be reviewed.

Fasken Oil and Ranch, Ltd.

Pegasus "10" Federal No. 1

Pit Closure Proposal

Fasken Oil and Ranch, Ltd. proposes to close the reserve pit at the Pegasus "10" Federal No. 1 in the following manner.

Pit contents are completely dried out and the original liner is undisturbed. We porpose 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.

Fasken Oil and Ranch, Ltd.

Pegasus "10" Fed No. 1

Pit Closure