

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
1220 S. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

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@for1.com
Address: 303 West Wall, Suite 1800 Midland, TX 79701
Facility or well name: Pegasus "10" Federal#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

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume _____ bbl 24000

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.)

NM Engineer's Office shows 160'

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

20*

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)

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

(0 points)

0

Ranking Score (Total Points)

20*

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 CRI. (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: Per NMOCD, USGS map shows groundwater area to be sensitive area. Therefore,

Fasken was compelled to excavate and haul materials to a state approved landfill. See the attached sample analysis showing the area has been fully cleaned of any potential contaminants.

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: 11/2/06

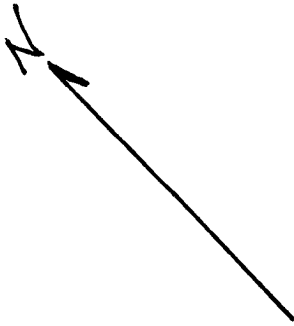
Printed Name/Title Jimmy D. Carlile Reg. Affairs Signature Jimmy D. Carlile

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 Jim W. Green Signature Jim W. Green

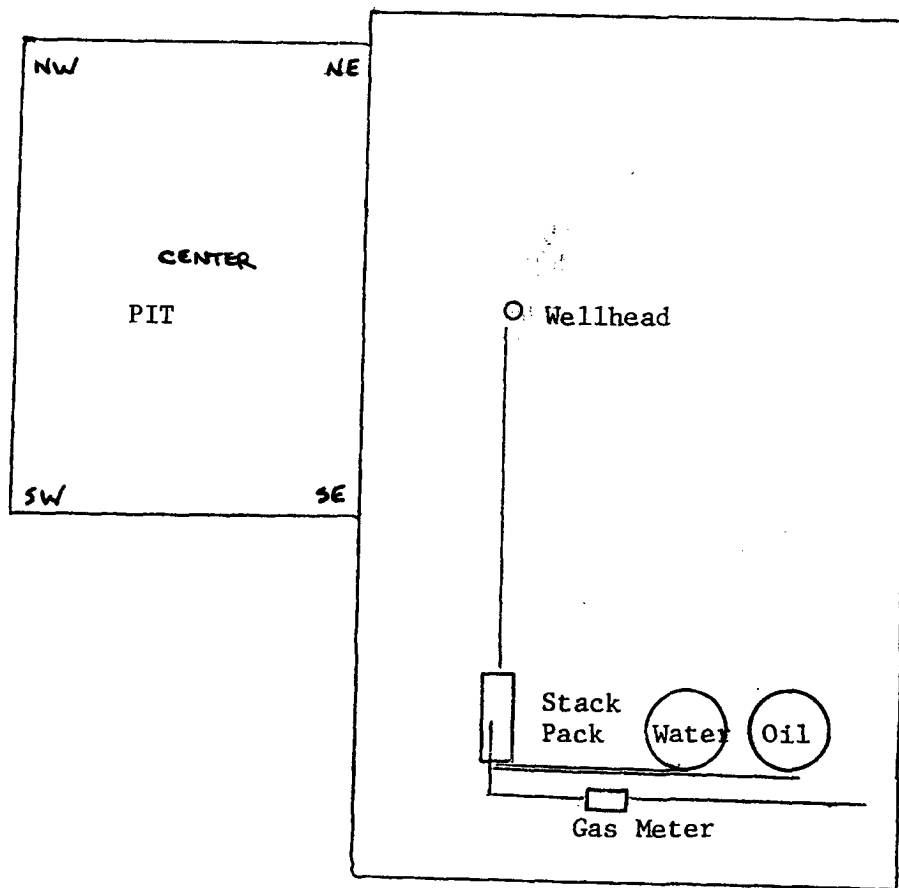
Date: 11/06/06



Fasken Oil and Ranch, Ltd.

Pegasus "10" Fed No. 1

Pit Closure





PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE TX 79603

PHONE (505) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
HUNGRY HORSE
ATTN: JAMES TODD
P.O. BOX 1058
HOBBS, NM 88241
FAX TO: (505) 391-4585

Receiving Date: 10/18/06
Reporting Date: 10/19/06
Project Owner: FASKEN
Project Name: PEGASUS #10
Project Location: EDDY COUNTY, NM

Analysis Date: 10/19/06
Sampling Date: 10/18/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: HM

[illegible]

METHOD: Standard Methods

4500-C1B

NOTE: Analysis performed on a 1:4 w:v aqueous extract.

Chemist

Date _____

H11669

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by **Cardinal** within thirty (30) days after completion of the applicable service. In no event shall **Cardinal** be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by **Cardinal**, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



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**ANALYTICAL RESULTS FOR
HUNGRY HORSE
ATTN: JAMES TODD
P.O. BOX 1058
HOBBS, NM 88241
FAX TO: (505) 391-4585**

Receiving Date: 10/16/06
Reporting Date: 10/16/06
Project Number: NOT GIVEN
Project Name: PEGASUS #2
Project Location: EDDY COUNTY, NM

Analysis Date: 10/16/06
Sampling Date: 10/15/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/Kg)
H11662-1	SE - 6' BGS	32
H11662-2	NW - 11' BGS	944
H11662-3	NE - 10' BGS	960
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		2.0

METHOD: Standard Methods

4500-CI-B

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

H11662

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ANALYTICAL RESULTS FOR
HUNGRY HORSE
ATTN: JAMES TODD
P.O. BOX 1058
HOBBS, NM 88241
FAX TO: (505) 391-4585

Receiving Date: 10/12/06
Reporting Date: 10/12/06
Project Number: NOT GIVEN
Project Name: FASKEN
Project Location: PEGASUS #10

Analysis Date: 10/12/06
Sampling Date: 10/11/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/Kg)
H11648-1	SE CORNER 8 BGS	1759
H11648-2	NE CORNER 8 BGS	944
H11648-3	NW CORNER 8 BGS	2239
H11648-4	CENTER 8 BGS	96
H11648-5	SW CORNER 8 BGS	48
H11648-6	NW CORNER 10 BGS	320
H11648-7	SE CORNER 10 BGS	1711
H11648-8	TEST HOLE 5 BGS (<i>Background</i>)	64
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		0.0

METHOD: Standard Methods

4500-CIB

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date _____

H11648

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