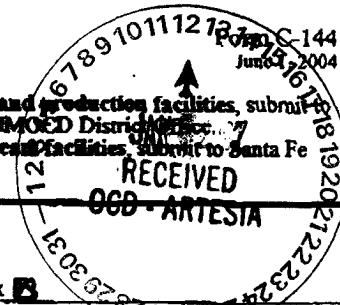




Pit or Below-Grade Tank Registration or Closure

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: LCX Energy LLC Telephone: 472-687-1575 e-mail address: larryg@ecoron/mc.com
Address: 110 N. Maricopa Rd Ste 200 Midland TX 79701
Facility or well name: 1724 State 161 API #: 30-015-34540 U/L or Q/L or Q/L: A Sec: 16 T: 175 R: 04E
County: Eddy Latitude: N 37 50 26.547 Longitude: W 104 35 14.922 NAD: 1927 ☐ 1983 ☒
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐	Volume: _____ bbl Type of fluid: _____
Lined ☒ Unlined ☐	Construction material: _____
Liner type: Synthetic ☒ Thickness <u>12</u> mil Clay ☐	Double-walled, with leak detection? Yes ☐ If not, explain why not: _____
Pit Volume: <u>1100</u> bbl	
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) <u>X</u> 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) <u>X</u>
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) <u>X</u>
Ranking Score (Total Points) <u>10 points</u>	

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: Work plan for the closure of drilling pit. The drilling pit contents will be moved to surface the pit contents. An encapsulation trench will be excavated and lined with a 12 mil synthetic liner on former drilling pit site. Drilling pit contents will then be emptied into the encapsulation trench. A 20 mil synthetic liner will be placed over the pit contents with a min of a 3' over lap of the underlying trench area. Then encapsulation trench will then be backfilled back to grade using a min of 3' of clean soil and like material. A one call and 48 hr notice will be provided to the Oil Conservation Division before pit closure actions begin. Pit closure actions will begin 1 week after permit approval.

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 NMOCED guidelines ☐, a general permit ☐, or an (attached) alternative OCH-approved plan ☐.

Date: 1/15/07
Printed Name/Title: Larry Blalock Operations M. Signature: Larry Blalock
Your certification and NMOCED 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: Jim W. Green
Printed Name/Title: District II Supervisor Date: 1/17/07