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 \(\subseteq \) No \(\subseteq \)

Type of action: Registration of a pit or below-grade tank \(\subseteq\) Closure of a pit or below-grade tank \(\subseteq\) Telephone: 432-685-1287 e-mail address: Operator: OGX Resources Address: 400 N. Marienfeld Suite 200 Midland, TX 79702 Facility or well name: Black Eagle Federal #1 API #: 30-015-35126 U/L or Qtr/Qtr N Sec 17 T 24S R 28E Latitude 32-15-45,30N Longitude 104-06-49.90W NAD: 1927 | 1983 | Surface Owner: Federal

State ☐ Private ☐ Indian ☐ Pit Below-grade tank Type: Drilling Production Disposal Volume: bbl Type of fluid: Month - Year Workover ☐ Emergency ☐ Construction material: APR 18 2007 Lined Unlined Double-walled, with leak detection? Yes \(\square\) If not, explain why not. OCD - ARTESIA, NIM Liner type: Synthetic ☑ Thickness 12 mil Clay ☐ Pit Volume 11000 bbl Less than 50 feet (20 points) XXX Depth to ground water (vertical distance from bottom of pit to seasonal (10 points) 50 feet or more, but less than 100 feet high water elevation of ground water.) 100 feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic (0 points) XXX 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.) 1000 feet or more (0 points) XXX 20 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 (3) Attach a general description of remedial action taken including your are burying in place) onsite \(\square\) offsite \(\square\) If offsite, name of facility_ 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: A burial pit will be constructed and lined with a 12mil impervious liner. The drilling pit contents will be mixed with Elke Environmental Solidification Product at a 20 (mud) to 1 (product) ratio to solidify the contents. After all mixed contents are placed in the burial pit, the contents will be covered with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level. The burial pit will then be covered with clean native soil and doomed to prevent pooling. 5 bottom sample points will be taken after the pit contents are removed and a final report will be given at the end of the job. NMOCD Artesia will be notified 48 hrs before work starts. 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) atternative OCD-approved plan . Date: 4-12-07 Printed Name/Title Logan Anderson / Agent 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. Samples are to be obtained from pit area and analysis submitted to Signature Alle Lencura Date: 4/19/07 Approval: NMOCD prior to back-filling Printed Name/Title