ench Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505

Printed Name/Title Scott St. John (Agent for Apollo)

See attached Conditions of Approval

Printed Nancornic

regulations.

Approval. 1

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

JUN 02 2008

JUN 5

Date

2008

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes \Boxed No \Boxed Type of action. Registration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\subseteq \) Telephone. __337-502-5227______e-mail address: _____tommyw@doreenergy.com__ Operator Apollo Energy L P.___ Address 6363 Woodway, Ste. 1100, Houston, TX 77057 Facility or well name. __Russell USA #61_______API #. ____30-015-10421-00-00____U/L or Qtr/Qtr __NE/4__Sec __13___T __20S____R ___28E__ Latitude ____ _____Longitude ______ NAD. 1927 🔲 1983 🔲 County: __Eddy__ Surface Owner Federal ☑ State ☐ Private ☐ Indian ☐ Pit Below-grade tank Volume: _bbl Type of fluid: ____ Type: Drilling Production Disposal Workover ⊠ Emergency □ Construction material. Double-walled, with leak detection? Yes If not, explain why not. Lined Unlined 🛛 Liner type: Synthetic Thickness mil Clay Pit Volume 95 bbl 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)X 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)X 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)X 10 Ranking Score (Total Points) If this is a pit closure: (1) Attach a diagram of the faculty 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_TBD______(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: (1) See attached plat illustrating wells surrounding the Russell USA 61. No tanks or other equipment are near said location other than these wells. (3) Remedial action will take place immediately upon approval of registration or at the direction of the Oil Conservation Division. In general, core samples of the soil will be taken on the floor and each side of the pit. Five (5) to seven (7) core samples will be taken for every 300 square feet. These samples will be properly chilled and sent to a lab for testing for the presence of hydrocarbons. In the event lab results indicate the presence of hydrocarbons above the allowable limit, a nature and extent examination will be performed Once it is determine the expanse of the contamination (if any), the contaminated soil will be removed and disposed of at an approved site Clean soil will be used to backfill contaminated site 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 \(\sigma\), a general permit \(\sigma\), or an (attached) alternative OCD-approved plan \(\sigma\). Date: ____5/28/08___

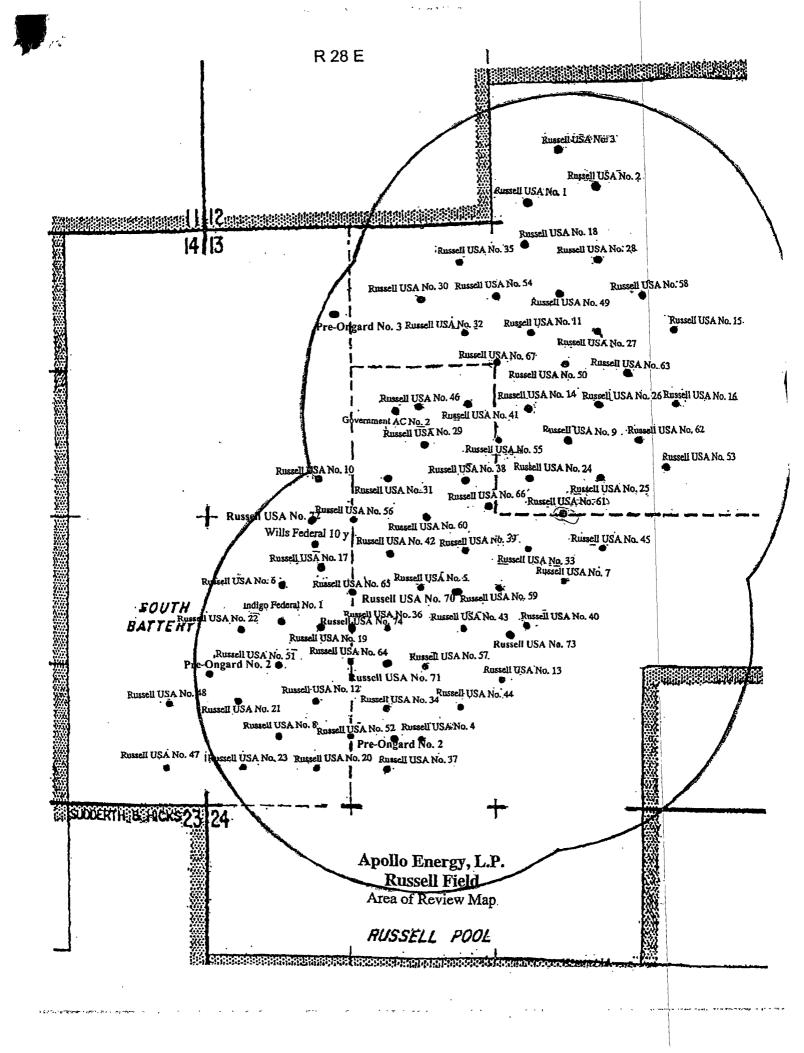
Signature

Gerry Guye

Compliance Officer

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

Signature



Guye, Gerry, EMNRD

From: Guye, Gerry, EMNRD

Sent: Thursday, June 05, 2008 2:54 PM

To: 'sstjohn@rsenergysolutions.com'

Cc: 'Tommyw@doreenergy.com'; Bratcher, Mike, EMNRD; Bonham, Sherry, EMNRD

Subject: LOV #02-08-94

Scott

I have received the C-144 Closure Application for the Russell USA #61. Your plan for pit closure is approved with the following stipulations:

1. OCD District Office (Artesia) is to be notified 24 hours prior to sampling.

- 2. Sampling will include, in addition to testing for hydrocarbons, the necessary tests for chlorides.
- 3. Samples must be approved by the OCD office prior to beginning the backfill.

If you have further questions please contact Mr. Mike Bratcher or Ms. Sherry Bonham at the Artesia Office of the NMOCD.

Gerry Guye

Compliance Officer NMOCD - Artesia Office (505)748-1283x105 Mobile (505)626-0843

E-Mail: gerry.guye@state.nm.us