District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210

## State of New Mexico RECEIVEOrgy Minerals and Natural Resources

Form C-14 March 12, 200

District III 1000 Rio Brazos Road, Aztec, NM 87410

MAY 2 4 2004 Oil Conservation Division District IV
1220 S. St. Francis Dr., Santa Fe, NM 875 SEP-ARTESIA Santa Fe, NM 97505

Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.

For downstream facilities, submit to Santa Fe

Is pit or below-grade tank	e Tank Registration or Closure covered by a "general plan"? Yes No Kelow-grade tank XI Closure of a pit or below-grade	<b>3</b> X
Operator:         Pogo Producing Company         432-685 Telephone:           Address:         P. O. Box 10340, Midland, TX 79702-           Facility or well name:         Lost Tank 35 St #15 API#:           County:         Eddy           Latitude         32 26 28.63 Mgitude           103	6-8100 e-mail address: wrightc@pog -7340  U/L or Qtr/Qtr Sec_35 T_2  45 04.72WAD: 1927   1983   Surface Ov	oproducing.com 1 <sub>R</sub> 31 wner Federal
Pit  Type: Drilling Meroduction Disposal Workover Emergency Lined Mullined Liner type: Synthetic Thickness mil Clay Volume 8400 bbl	Below-grade tank  Volume:bbl Type of fluid:  Construction material:  Double-walled, with leak detection? Yes	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more X	(20 points) (10 points) ( 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 No X	(20 points) ( 0 points) ()
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 X	(20 points) (10 points) ( 0 points)
	Ranking Score (Total Points)	0
If this is a pit closure: (1) attach a diagram of the facility showing the pit's onsite offsite for fiste, name of facility end date. (4) Groundwater encountered: No Yes for figure 1 figure, show depth and a diagram of sample locations and excavations.  I hereby certify that the information above is true and complete to the best of been/will be constructed or closed according to NMOCD guidelines , a Date: 05/19/04  Printed Name/Title Cathy Wright, Sr Oper Tech  Your certification and NMOCD approval of this application/closure does not otherwise endanger public health or the environment. Nor does it relieve the regulations.	my knowledge and belief. I further certify that the general permit , or an (attached) alternative O	ample results. (5) Attach soil sample results  above-described pit or below-grade tank has  CD-approved plan  the pit or tank contaminate ground water or
Approval: Date MAY 2 8 2004 July Rep Printed Name/Title	Please see attached stipulations and/or requirements:	<del></del>



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

28 May 2004

Pogo Producing P.O. Box 10340 Midland, Texas 79702-7340

RE:

Permit Stipulations - Lost Tank 35 St # 15

SEC-35 T-21S R-31E

The Oil Conservation Division of Artesia is in receipt of your application to construct a pit for the purpose of drilling. The request is hereby accepted and approved with the following provisions:

- 1. Construction and closing of pit(s) must meet the criteria of Rule 19.15.2.50 and the Pit Guidelines.
- 2. The pit is not located in any watercourse, lakebed, sinkhole, playa lake, or wetland.
- 3. Notice is to be given to the OCD prior to construction of the pit(s).
- 4. Pit encapsulations must meet all specific criteria including, but not limited to:
  - A. Site evaluation
  - B. Liner thickness and type must meet requirements as per guidelines.
  - C. Amount of and type of cover
  - D. Drill cuttings will be sampled as per guidelines. Notify OCD 48 hours prior to any sampling event
  - E. In the event that the integrity of the pit lining is breached in a manner such that soil contamination would result, the contents of the pit will have to be disposed of in an approved OCD facility.
- 5. The integrity of the bottom liner may not be breached at any time for any reason.
- 6. The pit will not be used for any additional storage of fluids.
- 7. The Division may attach additional conditions to any permit upon a finding that such conditions are necessary to prevent the contamination of fresh water, or to protect public health or the environment. (19.15.2.50.C.3.G.1.)
- 8. Re-seeding mixture will must be approved or authorized by surface owner.

Please note the C-144 has been altered. This was done under the guidance and authority of Cathy Wright via telephone call on 5-26-04.

If I can be of any further assistance, please feel free to call (505) 748-1283 ext. 109.

Sincerely,

Van Barton