

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 No X

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank X

Operator: SDX Resources, Inc. Telephone: 432/685-1761 e-mail address: cmorgan@sdxresources.com  
Address: PO Box 5061, Midland, TX 79704  
Facility or well name: East Millman Unit #228 30-015-33669 U/L or Qtr/Qtr A Sec 14 T 19S R 28E  
County: Eddy 990' FNL 330' FEL Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal State X Private ☐ Indian ☐

<b>Pit</b> Type: Drilling X Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined X Unlined <input type="checkbox"/> Liner type: Synthetic X Thickness 12 mil Clay <input type="checkbox"/> Pit Volume 8000 bbl	<b>Below-grade tank</b> Volume: bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. <div style="text-align: right;">RECEIVED</div>									
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	<table border="1"><tr><td>Less than 50 feet</td><td>(20 points)</td><td>FEB 16 2006</td></tr><tr><td>50 feet or more, but less than 100 feet</td><td>(10 points)</td><td>OQU-ARTESIA</td></tr><tr><td>100 feet or more</td><td>(0 points)</td><td>0</td></tr></table>	Less than 50 feet	(20 points)	FEB 16 2006	50 feet or more, but less than 100 feet	(10 points)	OQU-ARTESIA	100 feet or more	(0 points)	0
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50 feet or more, but less than 100 feet	(10 points)	OQU-ARTESIA								
100 feet or more	(0 points)	0								
Venthead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	<table border="1"><tr><td>Yes</td><td>(20 points)</td><td></td></tr><tr><td>No</td><td>(0 points)</td><td>0</td></tr></table>	Yes	(20 points)		No	(0 points)	0			
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.)	<table border="1"><tr><td>Less than 200 feet</td><td>(20 points)</td><td></td></tr><tr><td>200 feet or more, but less than 1000 feet</td><td>(10 points)</td><td></td></tr><tr><td>1000 feet or more</td><td>(0 points)</td><td>0</td></tr></table>	Less than 200 feet	(20 points)		200 feet or more, but less than 1000 feet	(10 points)		1000 feet or more	(0 points)	0
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200 feet or more, but less than 1000 feet	(10 points)									
1000 feet or more	(0 points)	0								
<b>Ranking Score (Total Points)</b> 0										

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: PIT NEVER CONSTRUCTED.

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 X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 12/31/05

Printed Name/Title: Chuck Morgan, Engineer Signature: *Chuck Morgan*

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.

Gerry Guye  
Deputy Field Inspector  
District II - Artesia

Approval:

Printed Name/Title

Signature: *Gerry Guye*

Date:

FEB 22 2006