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

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

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq No \) Type of action: Registration of a pit or below-grade tank X Closure of a pit or below-grade tank Operator: Stephens & Johnson Operating Co. Telephone: 940-723-2166 e-mail address: mkincaid@s.joc.net Address P.O. Box 2249 Wichita Falls, Texas 76307-2249 Facility or well name: East Millman Pool Unit #6-8 API #: 30-015-34890 U/L or Otr/Otr A Sec 13 T19S R 28E County: Eddy Latitude Longitude NAD: 1927 1983 Surface Owner Federal State Private Indian Pit Below-grade tank - RECEIVED Type: Drilling X Production Disposal Volume: _____bbl Type of fluid: _____ Construction material: Workover Emergency Double-walled, with leak detection? Yes If not, explain why not. JUL 2 7 2006 Lined X Unlimited Liner type: Synthetic [X]Thickness_12 mil Clay WYU-ANTEON Pit Volume __7000 bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) 100 feet or more (0 points) Yes Wellhead protection area. (Less than 200 feet from a private domestic (20 points) No water source, or less than 1000 feet from all other water sources.) (0 points) Х 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) 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 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: 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: 7/25/06

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.

Signature: //

Jun W. Frem which II Septention Approval: Date:

Printed Name/Title:

Printed Name/Title: William M. Kincaid - Petroleum Engineer

8/2/06