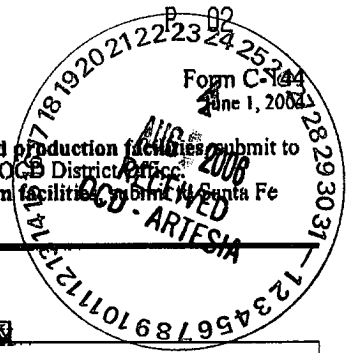


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 office



Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

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

Operator: <u>J. RAY STEWART</u> Telephone: <u>432-687-1086</u> e-mail address: <u>none</u>																																				
Address: <u>P.O. Box 451, Midland, Texas 79702</u>																																				
Facility or well name: <u>Poker Lake # 65</u>	API #: <u>30-015-24886</u>	U/L or Qtr/Sec: <u>NE/4 NE/4</u> 19 T <u>25S</u> R <u>30E</u>																																		
County: <u>Eddy</u>	Latitude	Longitude NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>																																		
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>																																				
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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: Our plans are to remove all contaminated soil and dispose of same at an offsite approved disposal location. Then take a cross section of proper soil samples across the affected area and submit to your office, or to an approved analyst by your office. Once approved, we will back fill the pit with natural uncontaminated soil from the area. Once this is done, we will submit samples from the fill soil to your office. We do not have a facility for disposing of this material. Would appreciate your recommendation.

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) alternative OCD-approved plan ☐.

Date: 8-22-06

Printed Name/Title J. Ray Stewart - Owner

Signature J. Ray Stewart

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.

Approval:

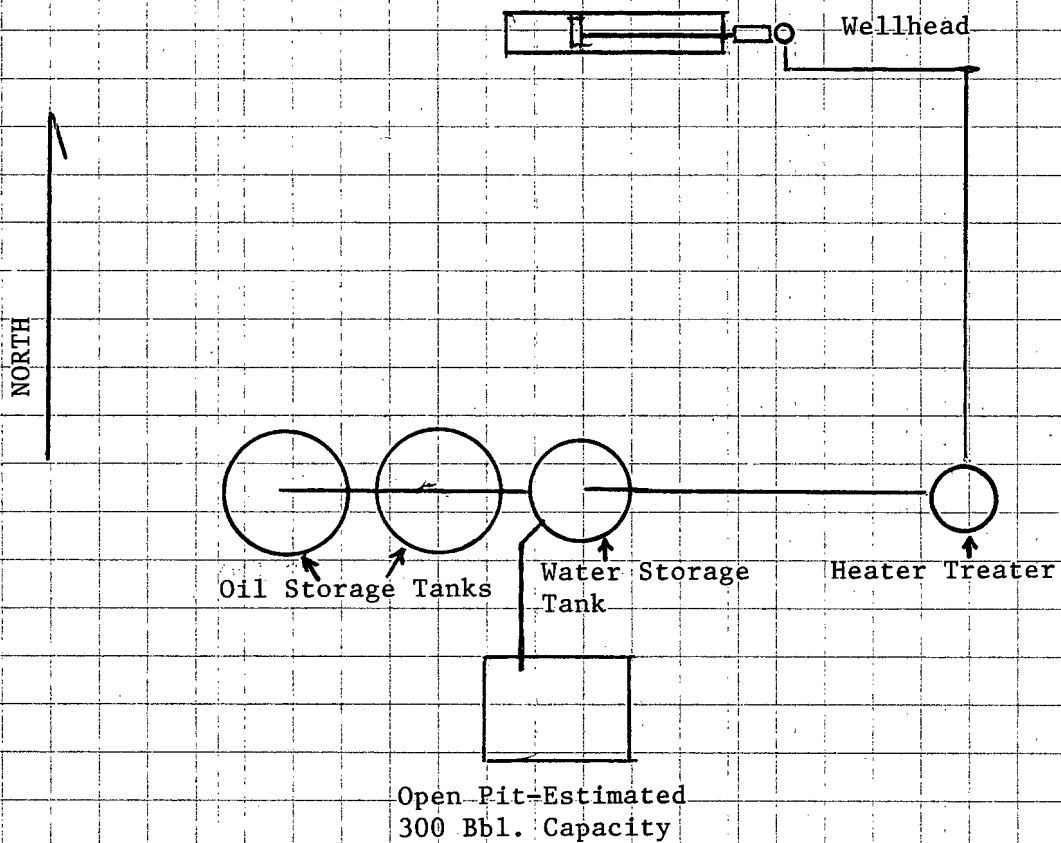
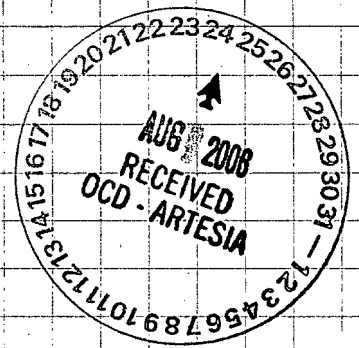
Printed Name/Title Richard Inge

Signature Richard Inge

Date: 8-28-06

J. RAY STEWART
POKER LAKE NO. 65
NE/4-NE/4-Section 19, T25S, R30E
EDDY COUNTY, NEW MEXICO

DIAGRAM OF SURFACE EQUIPMENT



LEA CORPORATION
J. Ray Stewart
Oil & Gas Properties



P.O. Box 1421
Ruidoso, NM 88355
Phone (505) 257-9170
Fax (505) 257-1497

P.O. Box 451
Midland, TX 79702
Phone (915) 687-1086
Fax (915) 699-6117

FAX TRANSMITTAL COVERSHEET

TO: Mr. Richard Inge

COMPANY: New Mexico Energy, Minerals and Natural Resources Department

DATE: August 24, 2006 FAX NO: (505) 748-9720

TIME: AM (X) PM () TELE NO: (505) 748-1283

NUMBER OF PAGES (Including This Page) Five (5)

MESSAGE: Re: Open Pit Violations Involving The following Wells:
Poker Lake No. 065 API# 30-015-24886
Poker Lake Unit No. 066 API# 30-015-24988-0000

Dear Mr. Inge:

Attached hereto please find Completed Form C-144 for each of the captioned wells setting out our proposal to bring these wells into compliance.

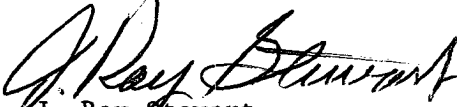
I have attached a diagram of the surface facilities for the Poker Lake No. 65 and Poker Lake Unit No. 66:

The C-144 closure permit request for the Poker Lake Superior #001 will be forthcoming once I have my pumper get me an exact "layout" of the surface facilities so that I can prepare the Diagram required.

Mr. Randy Holman, c/o Madrid Services, will be taking care of this "cleanup," however, he has been trying to begin for two (2) weeks now but the unusual rain fall and wet weather has delayed this. He will be keeping you advised as to the progression of things.

With best regards, I am

Yours truly,


J. Ray Stewart
Attachments

VIA FAX AND OVERNIGHT DELIVERY