

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

Form C-144  
June 1, 2004

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 ☒

Month - Year  
APR 12 2007  
OCD - ARTESIA, NM

Operator: OGX Resources Telephone: 432-685-1287 e-mail address: \_\_\_\_\_  
Address: 400 N. Marienfeld Suite 200 Midland, TX 79702  
Facility or well name: Second Chance Federal Com #1 API #: 30-015-33852 U/L or Qtr/Qtr P Sec 29 T 24S R 28E  
County: Eddy Latitude 32-10-59.40N Longitude 104-06-12.80W NAD: 1927 ☐ 1983 ☐  
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>11000</u> 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. _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) XXX 100 feet or more (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 (20 points) No (0 points) XXX
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) XXX
	<b>Ranking Score (Total Points)</b> <b>10 Points</b>

**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: A burial pit will be constructed and lined with a 12mil impervious liner. The drilling pit contents will be mixed dry soil to stiffen the mud and placed in the burial pit. After all mixed contents are placed in the burial pit, the contents will be covered with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level. The burial pit will then be covered with clean native soil and doomed to prevent pooling. 5 bottom sample points will be taken after the pit contents are removed and a final report will be given at the end of the job. NMOCD Artesia will be notified 48 hrs before work starts.

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: 4-11-07

Printed Name/Title Logan Anderson / Agent

Signature \_\_\_\_\_

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 \_\_\_\_\_

Signature Mike Anderson

Date: 4/12/07

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back-filling



Safety & Environmental  
Solutions, Inc.

# LOG OF EXPLORATORY BORING TB-1

(Page 1 of 1)

OGX Resources, LLC  
EKG Fee #1  
1980 FNL, 1980 FWL  
Unit Letter "F", Section 29, T24S, R28E  
Eddy County, New Mexico

Date, Time Started : 08/18/08, 0945  
Date, Time Completed : 08/18/08, 1630  
Hole Diameter : 8 1/4 in.  
Drilling Method : Hollow Stem Auger  
Drilling Equipment : Foremost-Moblie B-57

Drilled By : Eco/Enviro Drilling  
Sampling Method : Cuttings  
Logged By : David Boyer, P.G.  
Company Rep. :  
Survey By :

Depth in Feet	Sample Method	USCS	GRAPHIC	Water Levels	Sample Type:	Well: TB-1 Elev.:
				<input checked="" type="checkbox"/> Hydrocarbon Product <input checked="" type="checkbox"/> Measured Water Level	SS Split Spoon (18" or 24") CB Core Barrel (2.5" or 6") CT Auger Cuttings NR No recovery	
DESCRIPTION						
0	CT	ML/SM		Log from cuttings. 0-5 ft. SANDY SILT/ SILTY SAND, light brown, slightly damp, no H/C stain or odor		   

## Notes:

On site with drillers at 0945 to advance soil boring to determine depth to water and to sample water quality if encountered. Located borehole at the southwest corner of the location at the edge of the pad, approximately 27 ft. southwest from fence at small vertical separator and 66 ft. west of tank battery fence.

No water was encountered during drilling of this borehole.  
No hydrocarbon staining or odor was encountered during borehole drilling.  
At completion of the borehole, pulled augers, backfilled with 24 bags of Holsplug bentonite, 3/8 in. chips, well hydrated.