

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  
OCD - Albuquerque, NM

**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: Jalapeno Corporation Telephone: 505-242-2050 e-mail address: personnel3@msn.com  
Address: P.O. Box 1608, Albuquerque, NM 87103  
Facility or well name: Duncan Federal #10 API #: 30-005-63777 U/L or Qtr/Qtr C Sec 18 T 9-S R 28-E  
County: Chaves Latitude 33°32'21.05" N Longitude 104°07'47.62' W NAD: 1927 ☐ 1983 ☐  
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

**Pit**

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume 5600 bbl

**Below-grade tank**

Volume:        bbl Type of fluid:       

Construction material:       

Double-walled, with leak detection? Yes ☐ If not, explain why not.       

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) **no water encountered**

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more XX

( 0 points) 0

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) 0

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 XX

(10 points) 0

1000 feet or more

( 0 points)

**Ranking Score (Total Points)**

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: **The 12 mil plastic will be folded over the top and on top of that 20 mil will be placed. Then 3 feet of stockpiled dirt will be placed on top of the 20 mil and the dirt will be reseeded. Because of the depth of the surface water, it is our understanding that no soil samples are required.**

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: 5/15/07

Printed Name/Title: Harvey E. Yates, Jr. - President

Signature: Jalapeno Corporation by: Harvey E. Yates, Jr.

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: Notify OCD 24 hours prior to beginning pit closure.

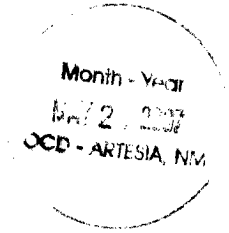
Printed Name

Signature Mike Herrera

Date: 6/6/07

(2)

**Jalapeño Corporation**  
P.O. Box 1608  
Albuquerque, NM 87103-1608  
Phone: (505) 242-2050 Fax: (505) 242-8501



May 15, 2007

Oil Conservation Division, Artesia  
1301 W. Grand  
Artesia, NM 88210

RE: Duncan Federal # 10  
Well API NO. 30-005-63777  
S.18 NE/4NW/4, T. 9S, R. 28E  
Chaves County, NM

Dear Sir or Madam:

We plugged the Duncan Federal # 10 last month. Therefore, we wish to close the well pit. Enclosed please find an original and two copies of the Pit or Below-Grade Tank Registration or Closure Form (C-144) to close the pit for the above mention well. We will also send this form to the BLM office in Roswell.

If you have any question or need further information, please contact our office at the numbers listed above.

Yours truly,

  
Jun Barrack