

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 ☒

JUL - 2 2007

OCD-ARTESIA

Operator: Chi Operating Telephone: 1-432-685-5001 e-mail address: \_\_\_\_\_  
Address: P.O. Box 1799 Midland TX 79702.  
Facility or well name: Otis 33 #3 API #: 30-015-33943 U/L or Qtr/Qtr B Sec 33 T 22S R 27E  
County: Eddy Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐  
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank
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 _____ bbl	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.)	<u>Less than 50 feet</u> (20 points) 50 feet or more, but less than 100 feet (10 points) <u>20</u> 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.)	<u>Yes</u> (20 points) <u>20</u> No (0 points)
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) <u>1000 feet or more</u> (0 points) <u>0</u>
Ranking Score (Total Points) <u>40</u>	

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 CRI. (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: Chi plans to close the drilling pit on the Otis 33 #3 AS PER New Mexico Oil Conservation Division Rule 50 in the Pit and Below Grade TANK Guidelines. Chi plans to remove all liquids and drill cuttings. All cuttings will be taken to a N.M.O.C.D. approved site for disposal and backfill with onsite stockpiled soils.

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: 6/28/07  
Printed Name/Title: Brad Larson Agent Signature: Brad Larson

Your certification and NMOCD approval of this application/closure does not relieve you of your responsibility to ensure that the contents of the pit or tank do not contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve you of your responsibility to comply with all applicable federal, state, or local laws and/or regulations. Notify OCD 24 hours prior to beginning pit closure.

Approval: Jim W. Green  
Printed Name/Title: District II Supervisor  
Date: 7/16/07  
Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back-filling