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

Form C-144
June 1, 2004

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

FEB 06 2008
OCD-ARTESIA

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: Morexco Telephone: 432-684-6381 e-mail address:
Address: P/O Box 953 Midland, TX 79702
Facility or well name: Pardue 29 #3 API #: 30-015-34858 U/L or Qtr/Qtr D Sec 29 T 24S R 28E
County: EDDY Latitude Longitude NAD. 1927 ☒ 1983 ☐
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	**Below-grade tank**	
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type. Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 1400 bbl	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.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (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 No	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	40 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 your 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 was constructed and lined with 12mil liner. All Drilling pit Contents were mixed and placed into The burial pit Then Covered with with a 20mil liner 3' below ground level. The burial pit will Then be Covered with Clean soil and drill pits backfilled. (per Mike Bratcher)

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: 1-8-08
Printed Name/Title Justin Magby / Agent Signature Justin Magby

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 Signed By Mike Bratcher Date. FEB 13 2008

CARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
B & H MAINTENANCE & CONSTRUCTION
ATTN: JUSTIN MAGBY
P.O. BOX 98
CARLSBAD, NM 88221
FAX TO: (575) 887-0369

Receiving Date: 01/08/08
Reporting Date: 01/08/08
Project Owner: NOT GIVEN
Project Name: PARDUE 29 #3
Project Location: SEC. 29-T24S-R28E EDDY COUNTY, NM

Analysis Date: 01/08/08
Sampling Date: 01/03/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: KS

LAB NO.	SAMPLE ID	Cl^- (mg/kg)
H14032-1	NE QUARTER	304
H14032-2	NW QUARTER	496
H14032-3	SE QUARTER	512
H14032-4	SW QUARTER	544
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods	4500-Cl⁻B

Note: Analyses performed on 1:4 w:v aqueous extracts.

Kristen Sepeda
Chemist

01/08/08
Date

H14032 B & H