<u>District 1</u> 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 Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-144 July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

AUG - 7 2008 OCD-ARTESIA

Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1. C&D MANAGEMENT COMPANY dba FREEDOM VENTURES 231382
Operator: OGRID #: OGRID #:
Address:
Facility or well name: Steam Still Federal #1 API Number: 30-015-31061 OCD Permit Number: U/L or Qtr/Qtr B Section 14 Township T 17S Range R 27E County: EDDY COUNTY Center of Proposed Design: Latitude State Private Tribal Trust or Indian Allotment NAD: 1927 1983
API Number: OCD Permit Number:
U/L or Qtr/Qtr B Section Township Tris Range County:
Center of Proposed Design: Latitude Longitude NAD: 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
See attached Liner type: Thickness See Attached See Attached Specification P&A See Attached See Attached Specification Sheet
4. NOT APPLICABLE: Below-grade tank: Subsection 1 of 19.15.17.11 NMAC Volume:
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
s. Alternative Method:

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)	
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, institution or church)	hospital.
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate. Plcase specify	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
8.	
Signs: Subsection C of 19.15.17.11 NMAC 12"x 24". 2" lettering. providing Operator's name, site location, and emergency telephone numbers □ Signed in compliance with 19.15.3.103 NMAC	
9.	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells - WATERS database search; USGS: Data obtained from nearby wells - WATERS database search; USGS: Data obtained from nearby wells	☐ Yes 🗷 No
Within 300 feet of a continuously flowing watercourse. or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map: Visual inspection (certification) of the proposed site	☐ Yes 🗹 No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes 🗷 No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site: Aerial photo: Satellite image	Yes 🗹 No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search: Visual inspection (certification) of the proposed site	☐ Yes Ø No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978. Section 3-27-3, as amended. - Written confirmation or verification from the municipality: Written approval obtained from the municipality	☐ Yes 🗹 No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map: Topographic map: Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes 🗹 No
Within an unstable area. - Engineering measures incorporated into the design: NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes 🗷 No
Within a 100-year floodplain FEMA map	☐ Yes 🗷 No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18. if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number:
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Form C-144

Oil Conservation Division

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Temporary Work Over Pit Disposal Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.1) NMAC)
Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if a facilities are required. Disposal Facility Name: Controlled Recovery, Inc. Disposal Facility Name: Disposal Facility Permit Number:	
Disposal Facility Name: Disposal Facility Permit Number:	***************************************
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service. Yes (If yes, please provide the information below) No	vice and operations?
Required for impacted areas which will not be used for future service and operations. Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	C
17. Not Applicable Siting Circuit of Legarting on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable sour provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dist considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justi demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	rict office or may be
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search: USGS: Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakehed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map: Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site: Aerial photo: Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database: Visual inspection (certification) of the proposed site	Yes No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978. Section 3-27-3, as amended. - Written confirmation or verification from the municipality: Written approval obtained from the municipality	Yes No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map: Topographic map: Visual inspection (certification) of the proposed site	Yes No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
 Within an unstable area. Engineering measures incorporated into the design: NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No
Within a 100-year floodplain FEMA map	☐ Yes ☐ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure particle Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure particle Construction Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.13 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cant Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	.15.17.11 NMAC

Form C-144

Oil Conservation Division

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Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Thomas Kizer Title: President
Signature: Date:August 6, 2008
e-mail address:
20.
OCD Approval: Permit Application (including classic plan) Closure Plan (only) OCD Conditions (see attachment) Signed By 11/4 Systems: AUC 1 5 2008
OCD Representative Signature: Approval Date: ADD 1 9 2000
Title: OCD Permit Number: 0208409
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more the two facilities were utilized.
Disposal Facility Name: Disposal Facility Permit Number:
Disposal Facility Name: Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) \(\subseteq \text{No} \)
Required for impacted areas which will not be used for future service and operations:
Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
24. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.
Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure)
Plot Plan (for on-site closures and temporary pits)
Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure)
Disposal Facility Name and Permit Number
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation)
On-site Closure Location: Latitude Longitude NAD: D1927 D1983.
25. Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): Title:
Signature: Date:
e-mail address: Telephone:

DBA FREEDOM VENTURES
4801 LANG NE - SUITE #110
ALBUQUERQUE, NEW MEXICO 87109

DIRECT LINE: (505)-417-1511 - (814) 688-3297
FACSIMILE: 702-413-6687
EMAIL: OILFREEDOM@AOL.COM
FROM THE DESK OF: THOMAS KIZER, PRESIDENT

August 6, 2008
Via Courier: Federal Express to OCD/Artesia, New Mexico

Mr. Michael Bratcher
Oil Conservation Division - District II
1301 W. Grand Ave.
Artesia, New Mexico 88210

Re: Application for Permit

Form: C-144 Temporary Pit Application & Attachments

Operator: C D Management/ Freedom Ventures

OGRID: 231382

Wells Affected: Plugging

Shearn Becky Federal No. 001	B-14-17S-27E	30-015-34440
Shearn Freedom Federal No. 002	A-14-17S-27E	30-015-34454
Shearn Samantha Federal No. 001	G-14-17S-27E	30-015-31059
Shearn Shilo Federal No. 001	B-14-17S-27E	30-015-31061

Dear Mr. Bratcher:

In accordance, and in compliance, with the State of New Mexico's Oil Conservation Division recent adoption of the "New" Pit Rules and implementation of Form 'C-144', i.e. Application for a Temporary Pit Permit, we hereby submit the enclosed application and supporting documentation for your review and approval.

CDM/FV has been issued a Plugging Permit by the Bureau of Land Management/Carlsbad A request a extension of time with the Bureau Land Management has been made to comply with the OCD New Pit Rules. [New Form July 21, 2008]

We hereby request that that the Artesia/OCD give this submission of this application and it's attachments a expedited review, in that, CDM/FV has been operating under deadline dates imposed by the Oil Conservation Division/Santa Fe.

It should be noted that CDM/FV has contracted with Ok Hot Oil Services & Controlled Recovery, Inc. to dispose of the plastic woven lining and the displacement fluids. Thus, our application does not necessitate the need for Hydrology and Soil studies. In that, all fluids, including plastic liners will be properly disposed of with a Registered Waste Disposal Facility: Controlled Recovery, Inc. Permit: # R9166.

Page 2 of 3: Temporary Pit Permit Applications with Attachments: 4 Wells

Find Enclosed the following data/documentation for each well permit application.

1. Completed C-144 Application for:

Shearn Becky Federal No. 001	B-14-17S-27E	30-015-34440
Shearn Freedom Federal No. 002	A-14-17S-27E	30-015-34454
Shearn Samantha Federal No. 001	G-14-17S-27E	30-015-31059
Shearn Shilo Federal No. 001	B-14-17S-27E	30-015-31061

2. Bureau of Hydrology Map with Well Locations

- (a) POD Reports from OSE's Iwater [All dated August 3, 2008]
 - (1) Surface Data Report
 - (2) Water Column Report
 - (3) Average Depth of Water Report
- (b) Well Record "RA-4554" December 1962
- (c) Declaration of Owner of Underground Water Right "RA-7936" July 1991

3. FEMA - National Flood Insurance Program Map [Reduced & Full Size]

Eddy County: Panel 350120-0200R; Panel 200 of 1125

Effective Date: February 6, 1991

4. Topographic Maps: Section 14, Township 17 South, Range 27 East

- (a) Expanded copy with all 4 subject wells demarked.
- (b) Magnified copy with all 4 subject wells demarked.

5. (a) Temporary Pit Design & Configuration

(b) Temporary Pit Design & Construction

Dimensions of Pit; Depth of Pit; Protective Liner; Transport of Displaced Fluids; Disposal of Pit Liner & Displaced Fluids/Material; Companies contracted with CDM/FV to participate in preparation, supervision, disposal and closure of Temporary Pit.

6. <u>Technical Specifications of 20 MIL WOVEN BLACK/BLACK</u> Pit Liner from W T Plastics, LTD, Midland, Texas. Installation by Mesquite Oil Services, Artesia, New Mexico.

7. <u>Photographs of Abandonment - On-Site Burial Markers</u>
Prepared in accordance with OCD Pit Rules and ready for installation.



Page 3 of 3: Temporary Pit Permit Applications with Attachments: 4 Wells

The following companies and individuals will be involved in the preparation, supervision, plugging, disposal and closure of the Temporary Pit.

- ☑ Mesquite Oil Services, Artesia, New Mexico
- ☑ OK Hot Oil Services, Loco Hills, New Mexico
- ☑ Controlled Recovery, Inc, Hobbs/Halfway, New Mexico
- ☑ Sweat Construction, Artesia, New Mexico
- ☑ Darrel Finney, Individual, Artesia, New Mexico
- ☑ Larry Ivans, Pumper, Artesia, New Mexico

If you should have any questions or require further information please don't hesitate to call, email or fax me at the any of the above stated contact numbers.

Thanking you in advance for your expeditious affirmative response.

Respectfully submitted,

C D MANAGEMENT COMPANY
DBA FREEDOM VENTURES

Thomas Kizer President



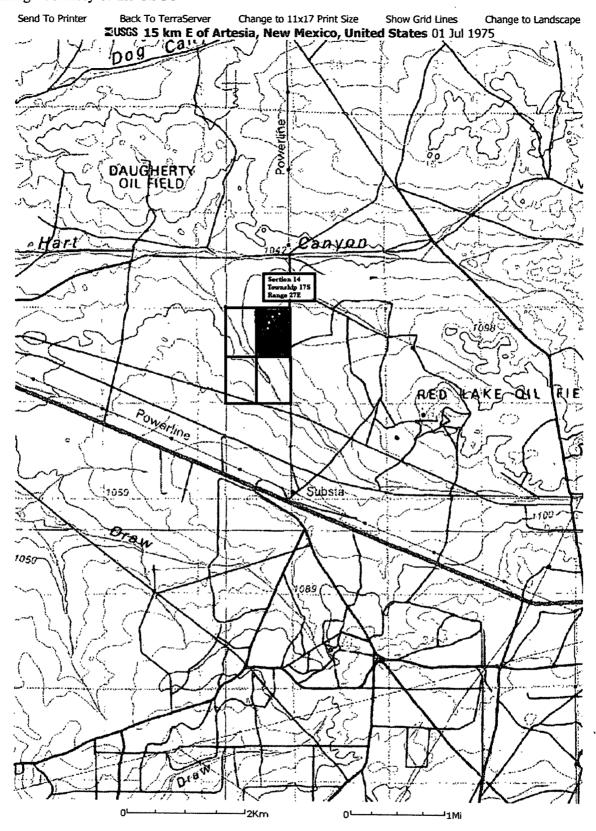


Image courtesy of the U.S. Geological Survey
© 2004 Microsoft Corporation. **Terms of Use Privacy Statement**

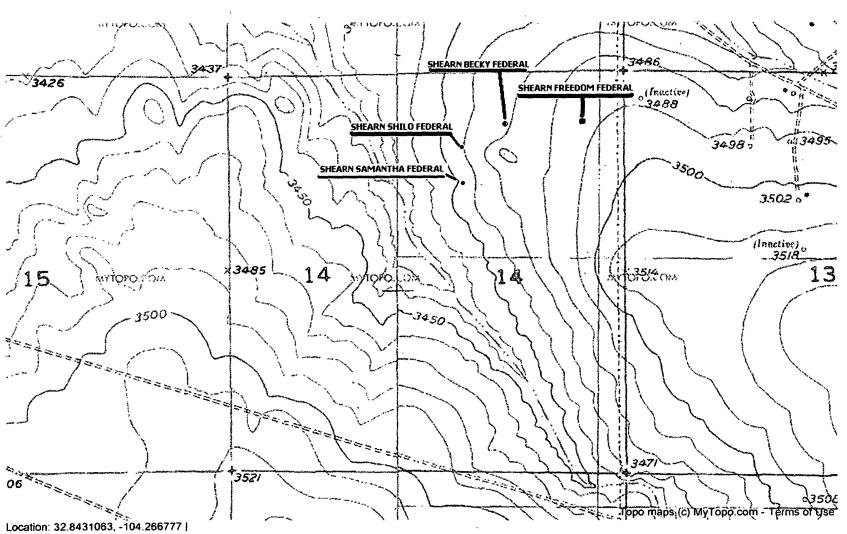
Well_Name: <u>SHEARN BECKY FEDERAL</u> API #: 3001534440 Property Number: 001 Location: B-14-17.05-27E, 660 FNL, 1650 FEL Lat:32.8395355867 Long:-104.246202757 County: EddyLand Type: Federal Well:Elevation GL: 3470

Well_Name: SHEARN FREEDOM FEDERAL API #: 3001534454
Property Number:: 002 Location: A-14-17.05-27E, 660 FNL, 660 FEL
Lat:32.8395327424 Long:-104.2429643
County: EddyLand Type: Federal Well Type: :Elevation GL: 3486 Depth

Well_Name: SHEARN SHILO FEDERAL API #: 3001531061
Property Number.: 001 Location: 8-14-17.05-27E, 991 FNL, 1464 FEL
Lat:32.8386252718 Long:-104.245593984
County: EddyLand Type: Federal :Elevation GL: 3479 Depth TVD: 0

Well_Name: SHEARN SAMANTHA FEDERAL API #: 3001531059 Property Number.: 001 Location: G-14-17.05-27E, 1649 FNL, 1523 FEL Lat:32.8368168747 Long:-104.245786315 County: EddyLand Type: Federal Well :Elevation GL: 3471

SECTION 14, TOWNSHIP 17 SOUTH, RANGE 27



FREEDOM VENTURES - C D MANAGEMENT

FREEDOM OIL - C & D MANAGEMENT COMPANY **TEMPORARY PIT DESIGN AND CONFIGURATION**

DISPOSAL OF FLUIDS AND PIT LINER MATERIAL TEMPORARY PIT SPECIFICATIONS: **DIMENSIONS: 15 FT X 15FT** OK Hot Oil Services, Loco, New Mexico DEPTH: 3 FEET Controlled Recovery, Inc., Halfway, New Mexico Waste Disposal Permit: R9166 PROTECTIVE LINER: 20 MIL LINER: WOVEN [SPECIFICATIONS ATTACHED] TRANSPORT OF DISPLACEMENT FLUIDS: PROTECTIVE LINING TRENCH [12" Depth] OR HOSE PIPE FROM WELL TO PIT TEMPORARY PIT PREPARED BY: MESQUITE SERVICES, ARTESIA, NEW MEXICO Pit Liners: See Attached Manufactures Plastic liner Technical Specifications Sheet 20-mil string reinforced LLDPE or equivalent ≥18 inches 2 feet freeboard required See attached Specifications Anchor trench 3 Feet 10 15 Feet Liner **Anchor** No steeper than 20 2:1 slope

Firm, smooth, prepared subgrade

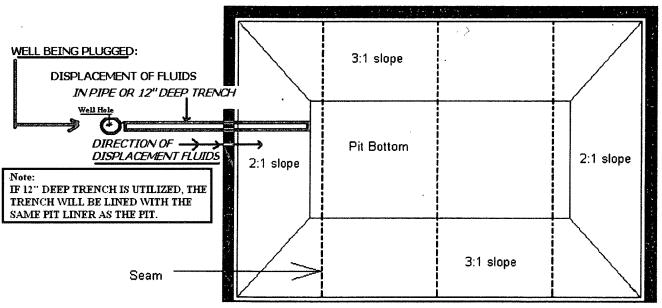
TEMPORARY PIT DESIGNAND CONSTRUCTION

DISPOSAL OF DISPLACEMENT FLUIDS:

OK Hot Oil Services, Loco, New Mexico

Controlled Recovery, Inc., Halfway, New Mexico

Waste Disposal Permit No.: R9166



TEMPORARY PIT SPECIFICATIONS

DIMENSIONS: 15FT X 15FT

DEPTH: 3 FEET

PROTECTIVE LINER: 20 MIL LINE WOVEN [SPECS ATTACHED]

TEMPORARY PIT PREPARED BY: MESQUITE SERVICES, ARTESIA, NEW MEXICO

<u>DISPLACEMENT FLUIDS FROM WELL TO PIT</u> - TRANSPORTED IN PIPE OR 12" DEEP TRENCH

Phone 432-563-4005 Fax 432-861-5209 Toll Free 800-583-6005

TECHNICAL SPECIFICATION SHEET 20 MIL WOVEN BLACK/BLACK TYPE RB88X-6

Made from high density polyethylene tapes, coated on two sides with low density polyethylene.

PROPERTIES	UNIT		VALUES	TEST METHOD
Unit.W#ight	oz/yd2		8.9	ASTM D3775
Warp Construction	Tapes/in	Wanp	16	ASTM D3775
		Weft	16	·
Widths	in	up to	144	
Tensile Grab Strei gtil	iof	Warp/Weft	342	ASTM D751
Tear Strength *(ton_ue.	lbf	Warp/Weft	117	ASTM D751
Tear Strength (trape no.	lbf	Warp/Weft	90	ASTM D/51
Scrim Color			Biack	
Coating Thickness	mil	Black	2.5	ASTM D1777 MOD
Carbon Dispersion	,	>%	2	ASTM D3015
	staned %	Warp	87	ASTM D882
	te ed %	Weft	97	ASTM D882
Low Temperature Ben	-95 F		No Crack	ASTM D2136
Mullen Burst Strength	DS)		551	ASTM D751
Moisture Vapor Transn 45			.1	ASTM E98-92 proc A
Water Permeance	g/(ha 2*24 hrs)		0	ASTM C4491
Puncture Resistance	lbi	greater than	180	ASTM 4833
1" Tenslie Strengtn	lbf	•	200	ASTM (1382
1" Tensile Elongatio	%		15	ASTM DB82
Nominal Thicknes	mil		20	ASTM (HEZZZ MOD

^{*}includes force to shift tapes + Tear may be crosswise to direction of force

TGLB5B5 contain. untraviolet inhibitors and is sultable for outdoor applications

Note: to the best coor knowledge, these are typical property values and are intended as guides only. Not as specification limits WEST TEXAS PLASTICS, INC., MAKES NO IVARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recor imendations and disclaims all flability for resulting loss or dernage.

Map Provided by: New Mexico Bureau of Hydrology

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12	RA-05881-	RA-06635- RA-	03791-	<u> Sec</u>	tion 14, Township 175, Ran	, \	
	6	/ 84	16 -06531-	15/		Shern Freedom Shern Becky Shern Shilo Shern Samantha	
13	18 © RA-04	RA-08823- RA	-03694- RA-078	44-EXPL	14	Shern Samantha 13	18
	(R.	A-03816- RA-0	1716- RA-04114-	• •	/	
	RA-04320-	17	RA-04153-	RA-01716-S	,		
		9	RA-078	344-	RA-04554-Wel	Record Attached	
24	10	A-06560- RA-07	1	22	23	24	19
	Mark Control	i i i	21				
		20		RA-01493-			-
				Ø	R	A-04561-	
25	30	29	28	27	2 6	25	30
36	31 RA-0366	32 1- RA-0:	3664-	34	35	36	31
	Ŭ i	8	33	34	33	30	31
	_				RA-02996-		
1 RA	6 05989-	5	4	3	2	1	6
Ø							3) =
			9	l ©i	3917-		
12	7	8	RA-03714-	10	. 11	12	7
		<u> </u>		1	1		

7



FREEDOM VENTURES - C&D MANAGEMENT

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 17S Range: 27E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

POD / SURFACE DATA REPORT 08/03/2008

				(quarters are	1=NW	2=NE 3=SW 4=	SE)									
	(acre	ft per annum)		(quarters are	bigg	est to smalle	st XY	are in Feet		UTM are	ın Meters)	Start	Finish	Depth	Depth (in feet)
DB File Nbr	Use	Diversion Owner	POD Number	Source	Tws	Rng Sec q q	q Zone	X	Y	UTM Zone	Easting	Northing	Date	Date	Well V	Vater
RA 01493	IRR	3 JULIAN MONTOYA	RA 01493	Artesian	17S	27E 27 1 2				1 3	568468	3630529		01/01/1908	876	
RA 01716	COM	63.6 RIVERSIDE MUTUAL DOMESTIC ASS	SO RA 01716	Artesian	17S	27E 16 3 4				13	566854	3632521				
	_		RA 01716 S	Artesian	17S	27E 16 3 4	4			13	566953	3632420	07/26/2004	08/03/2004	1200	
RA 02966	DOM	3 JIM HOOTEN	RA 02966	Shallow	17S	27E 05 4 4	4			13	566117	3635707	10/14/1952	10/16/1952	80	30
RA 03279	DOM	3 EMIL P. BACH	RA 03279		17S	27E 07 2 3				13	564020	3635011	08/10/1954	08/24/1954	. 250	14
RA 03661	PRO	O HUMBLE OIL & REFINING	RA 03661	Shallow	17S	27E 32 3 2				13	565186	3628038	10/12/1956	10/26/1956	330	140
RA 03664	DOM	O HUMBLE OIL & REFINING CO	RA 03664	Shallow	17S	27E 32 3 2	3			13	565186	3628038	11/01/1956	11/06/1956	400	100
RA 03694	DOM	3 C. M. BERRY	RA 03694	Shallow	17S	27E 17 4				13	565854	3632721	01/26/1957	02/02/1957	300	90
RA 03791	DOM	O C. L. BOWEN	RA 03791		17S	27E 17 4 1	2			13	565747	3633021				
RA 03816	DOM	3 R. D. COLLIER	RA 03816	Artesian	17S	27E 17 4				13	565854	3632721	01/22/1958	01/22/1958	945	931
RA 04114	DOM	3 J. HIRAM MOORE	RA 04114	Artesian	17S	27E 16 3 4	4			13	566953	3632420	11/17/1959	01/15/1960	1042	260
RA 04153	DOM	3 J. HIRAM MOORE	RA 04153	Artesian	17S	27E 16 3 4	4			13	566953	3632420	02/03/1960	03/15/1960	1220	175
RA 04320	DOM	3 C.V. BROWN	RA 04320	Artesian	17S	27E 17 3				13	565053	3632719	10/25/1960	11/05/1960	120	50
RA 04554	PRO	0 LOWE DRILLING COMPANY	RA 04554	Artesian	17S	27E 23 1				13	569859	3631947	01/26/1962	02/20/1962	220	40
RA 04561	PRO	O LOWE DRILLING CO	RA 04561		17S	27E 26 2 4				13	570871	3630142			250	
RA 04786	DOM	3 DAVE COLLIER	RA 04786	Artesian	17S	27E 18 2 3	4 -			. 13	564133	3633277	02/27/1963	03/02/1963	138	111
RA 05881	PUB	0 WOODS CONSTRUCTION CO.	RA 05881			27E 18 1 1				13	563232	3633837		•		
RA 06531	DOM	0 CHARLES C. POWELL	RA 06531	•		27E 17 4 1				13	565747	3632821			200	
RA 06560	DOM	3 TONY HALL	RA 06560	Shallow	17S	27E 20 2 1	2			13	565757		08/22/1979	08/24/1979	133	80
RA 06635	DOM	3 RANGER C. KARR	RA 06635	Shallow	17S	27E 18 2 2	_			13	564531	3633852	04/13/1980	04/16/1980	325	60
RA 07231	MUL	0 FERN WILSON	RA 07231		17S	27E 16 3 3	3			13	566353	3632422				
RA 07774	STK	3 BOGLE FARMS	RA 07774	Shallow	17S	27E 11 1 2	3			13	569933	3635251	12/14/1989	12/20/1989	100	50
RA 07844	EXP	O RIVERSIDE WATER USERS ASSOC.	RA 07844	Shallow	17S	27E 16 3 4	3			13	566753	3632420	08/23/1990	09/07/1990	1300	180
RA 07844 EXPL	EXP	0 RIVERSIDE WATER USERS ASSOC.	RA 07844 EXPL	Artesian	17S	27E 16 3 4				13	566854	3632521	08/23/1990	09/07/1990	1300	180
RA 07936	STK	1.54 BOGLE FARMS	RA 07936		17S	27E 11				13	570246	3634750				
RA 08823	_ DOM	3 HAMMOND PHILLIP J	RA 08823	Shallow	17S	27E 17 3 1	1			13	564745	3633019	06/16/1994	09/28/1994	348	60

Record Count: 26

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 17S Range: 27E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

WATER COLUMN REPORT 08/03/2008

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Water (in feet) Depth Depth **Rng Sec q q q** 27E 05 4 4 4 POD Number Zone Tws Well Water Column RA 02966 17S 80 30 50 RA 03279 17S 27E 07 250 236 14 RA 07774 17S 27E 11 100 50 50 RA 07844 EXPL 17S 27E 1300 180 1120 RA 07844 17S 27E 16 1300 180 1120 RA 01716 (D) 17S 27E 16 1220 175 1045 RA 01716 S 17S 27E 16 3 4 4 1200 27E 16 782 RA 04114 17S 3 4 4 1042 260 17S RA 04153 27E 16 3 4 4 1220 175 1045 27E 17 RA 04320 17S 120 50 70 RA 08823 17S 27E 17 3 1 1 348 60 288 27E 17 RA 03694 17S 300 90 210 17S 27E 17 931 RA 03816 945 14 4 1 4 RA 06531 17S 27E 17 200 2 2 2 60 265 RA 06635 17S 27E 18 325 17S 27E 18 138 27 111 RA 04786 RA 06560 17S 27E 20 133 80 53 17S 27E 23 220 40 180 RA 04554 RA 04561 17S 27E 26 250 17S 27E 27 876 RA 01493 RA 03661 17S 27E 330 140 190 RA 03664 17S 27E 32 400 100 300

Record Count: 22

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 17S Range: 27E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

AVERAGE DEPTH OF WATER REPORT 08/03/2008

								(Depth	Water in	Feet)
Bsn	Tws	Rng	Sec	Zone	x	Y	Wells	Mìn	Max	Avg
RA	17S	27E	05				1	30	30	30
RA	17S	27E	07				1	14	14	14
RA	17S	27E	11				1	50	50	50
RA	17S	27E	16				5	175	260	194
RA	17 <i>S</i>	27E	17				4	50	931	283
RA	17S	27E	18				2	60	111	86
RA	17S	27E	20				1	80	80	80
RA	17S	27E	23				1	40	40	40
RA	17S	27E	32				2	100	140	120

Record Count: 18

STATE ENGINEER OFFICE

WELL RECORD

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the nearest district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired or deepened. When this form is used as a plugging record, only Section 1A and Section 5 need be completed.

Section 1				(A) Owne	r of well		Lowe Drilli	ng Co		•
			وا	Street and	Number		******************			***************************************
				City	Midla	nd	it No. RA 455 of Section wen Haynes	Sta	Texa	9.5
			٦ ,	Well was	drilled un	der Perm	it No. RA 455	4	and is le	ocated_in th
1					4	1/4	of Section	Twp	<u>1</u> γ R	.ge
				(p) nim	ng Contra	actor			License N	OOO
				Street and	Number_	=				
	<u> </u>		\dashv	City	Artesia		Jan 26	Sta	ite	lexico
]]	Drilling w	as commo	enced	Feb 20			19 62
	7-1-6-640	l	<u></u>]	Drilling w	as comple	ted	reo ao			19
	lat of 640	-		•		0	/		220	
Elevation	at top o	i casing ii	n reet	above sea artesian_	Wehal	low	Total dep	-		<i>l</i> .O
state wn	etner we	II IS SNAII	ow or	artesian_			Depth to wa	ter upon c	ompletion	
Section 2			1	PRIN	CIPAL WA	TER-BEAR	NG STRATA			
No.	Depth i	To To	}	kness in Feet		Des	cription of Water	r-Bearing Fo	rmation	
1	190	210		30	Anyh					
2					·					
3										
4										
5									····	
3]							· · · · · · · · · · · · · · · · · · ·
Section 3	3				RECOR	D OF CAS	ING			
Dia	Pounds	Threa	ads	Der		Feet	Type Shoe		Perforation	s
in.	ft.	in		Тор	Bottom		None	From		То
<u>7"</u>	20	1.	0			20	Motte			
							İ			· · · · · · · · · · · · · · · · · · ·
Section 4	Ļ			RECOR	D OF MUD	DING AN	D CEMENTING			
Depth	in Feet	Diame		Tons	No. Sa	1		Methods 1	Tead	
From	То	Hole in	ı in.	Clay	Cem	ent		Methods (Jacu	
								····		
		<u> </u>								
	<u> </u>									
Section 5	;				PLUGG	SING REC	ORD			
		c Contrac	tor					Licen	se No.	
				,			Ту			
	•						Date Plu		_	
	approve						Cement Plu			
55 5		, -					Depth of P	lug		
and the second second		*11.23		Basin Sup	ervisor	No		ro	No. of Sack	cs Used
	FOR IIS	۱ E OF STA'	TE EN	BUGALLI O REENCH	NT.Y	7				
	FOIL OR	์ สูปเปเต		GINEER O	// O					
Date 1	Received			ATE ENCIR						
		5: 25	Hd 3	S DEC 15	961]			~	
<u> </u>				- •	,	'	<u> </u>			<u> </u>
· ·	_	A 46		,		!	`			
Tella Nia	$\mathcal{C} \subset \mathcal{C}$	1 45	54	<u></u>	_Use <i>(</i>	TWI	Locatio	on No	<u> </u>	-3./00

LOG OF WELL

Depth in Feet		Thickness		
From	rom To	in Feet	Color	Type of Material Encountered
0:	12	1.2	White	Calliche
12	88	76	11	Anyh
- 88	160	72	Red	Red bed
160	190	30	White	Anyh
190	220	30	1)	Broken Anyh
			,	
}				
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4			(
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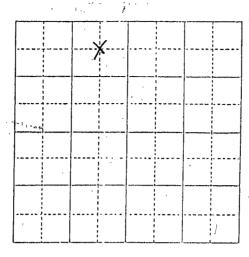
The undersigned hereby certifies that, to the best of his knowledge and belief, the foregoing is a true and correct record of the above described well.

Que Hayros
Well Driller

Declaration of Owner of Underground Water Right

ROSWELL UNDERGROUND WATER BASIN

STATEMENT
Name of Declarant Bogle Farms
Mailing Address P.O. Drawer 460 Dexter
County of Chaves , State of NM
Source of water supply Shallow Water (artesian or shallow water aquifer)
. Describe well location under one of the following subheadings: 710'FNL 1650'FWL Woof Sec. 11 Twp. 178 Rec. 27E NOW
Eddy County. b. Fract No of Map No of the
c. X = Cet. N. M. Coordinate System 2
in the
On land owned by Bogle Farms
1. Description of well: date drilled 1990 driller Gary Keysdepth 101
outside diameter of easing 6" inches; original capacity 4 gat. per min.; present expectly 4
gal. per min.; pumping lift
mase and type of pump Windmill 12' Aermoter
make, type, horsepower, ate., of power plant
Fractitional or percentage interest claimed in well
Quantity of water appropriated and heneficially used 1.54 (here feet per nere) (here feet per nere)
lor Livestock & Wildlife particle (More real parts)
· Acreage actually irrigatedacress located and described as follows (describe only lands actually tricate
Acres Subdivision Sec. Twp. Range Irrigated Owner
· · · · · · · · · · · · · · · · · · ·
(Note: location of well and acreage actually ir igated must be shown on plat on reverse side.)
Wives and their application beauticitations in the second
Water was first applied to beneficial use month day year
has been used fully and continuously or all of the above described lands or for the above described progress exect
as follows:
Additional statements or explanations
,
· · · · · · · · · · · · · · · · · · ·
Stuart Bogle Leave and say that the above is a full and another a topical and a second size of the state of
depose and say that the above is a full and complete statement prepared in accordance with the instruction on the
verse side of this form and submitted in evidence of ownership of a valid underground water right, that 1 hours, with
read each and all of the riems contained therein and has the same are true to the first of my knowledge and activity.
Bogle Farms
Sua Sua o
bscribed and sworn to before me this 2 th day of June 1, 15 19 91
commission appirer July 11, 1991 And K Wagner Marie Parter



INSTAUGTIONS

Declaration shall be executed (preferably types, itter) in triplicate and must be accompanied by a \$1.00 filling fee. Each of triplicate copies must be properly signed and attented.

A separate declaration must be filed for each well in une.

All blanks shall be filled out fully, Required information which cannot be awarn to by declarant shall be supplied by affiliavit of person or persons familiar with the facts and shall be submitted becaute,

Secs. 1-3, Complete all blanks,

Sec. 4. Fill out all blanks applicable as fully as peculife.

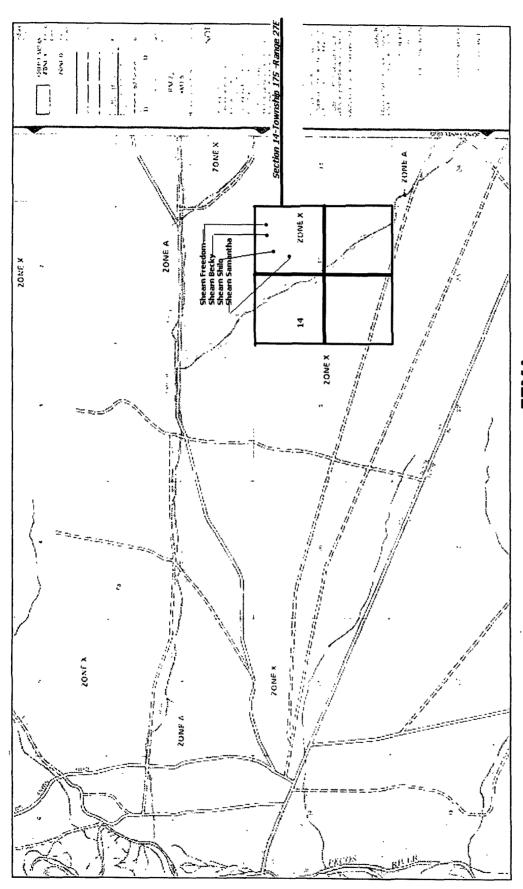
Sec. 5. Irrigation use shall be attack in user feet of water per ners per year applied on the land. If used for demeatic, municipal, or other purposes, state total quantity in seco tack used annually.

Sec. 6. Describe only the acroage actually irrigated. When accessary to county define irrigated acreases, describe to nearest 234 acre subdivision. If located on unsurveyed lands, describe by logal supdivision has prejected from the nearest government survey corners, or describe by motes and bounds and the survey to some permanent, enalty-located natural object.

Sec. 7. Explain and give dates as nearly as possible of any years when all or part of acreage claimed was not irrigated.

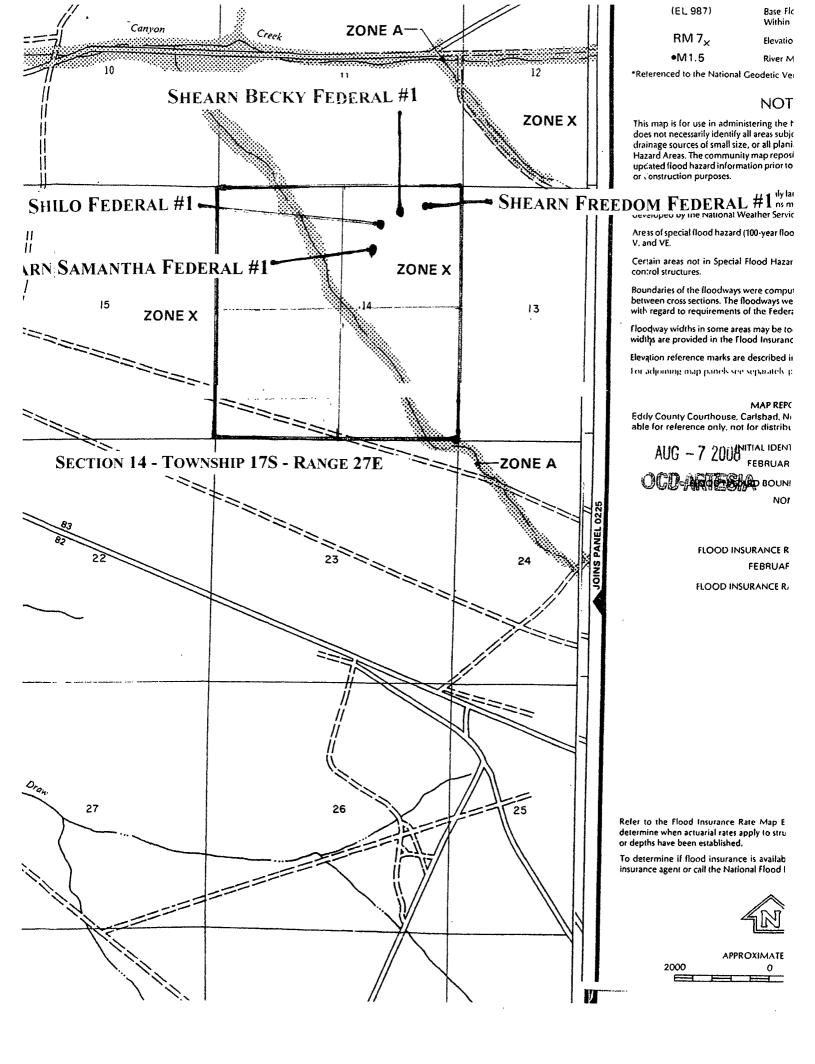
Soc. 8. If well irrigates or supplies supplies supplies only other land that described above, or if land is also irrigated from any other source, explain under this section, Give any other data necessary to fully describe water right.

If additional space is necessary, use a separate electron sheets and attack securely hereto.

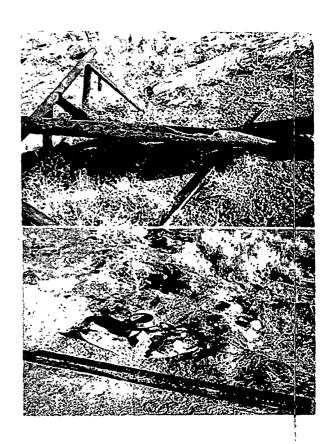


FLOOD PLAN MAP - FEMA National Flood Insurance Progam Map Eddy County, New Mexico Panel No.:350120-0200R -Panel 200 of 1125

Effective Date: February 6, 1991 [See Full Size Map Attached]







ABANDOMENT MARKERS PREPARED FOR WELLS TO BE PLUGGED



SHEARN BECKY FEDERAL #1
SHEARN FREEDOM FEDERAL #2
SHEARN SAMANTHA FEDERAL #1
SHEARN SHILO FEDERAL #1



Operator shall place a steel marker at the Center of an On -Site Burial. Steel Marker shall be not less that four inches in diamter and shall be cemented in a three-foot deep hole at minimum. Steel Marker shall extend at least four-feet above mean ground level and at least three-feet below the ground. Operators Name, Lease Name, Well Number and Location, including Letter Section, Township and Range, and that marker designate an On-Site Burial location shall be welded, stamped or otherwise permanently engraved into the metal of steel marker.

FREEDOM VENTURES - C D MANAGEMENT