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

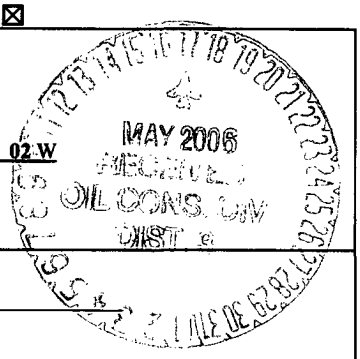
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

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: **Black Hills Gas Resources** Telephone: **(505) 634-1111 ext 28** e-mail address: **dmanus@bhep.com**
Address: **3200 N 1st Street PO Box 249 Bloomfield, NM 87413**
Facility or well name: **Jicarilla 29-02-04 #21** API #: **30-039-27674** U/L or Qtr/Qtr **NW/NW Unit D** Sec **4** T **29 N** R **02 W**
County: **Rio Arriba** Latitude **36° 45' 29.2"N** Longitude **107° 03' 12.5"W** 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 **15** mil Clay ☐ Pit Volume **5,000** 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)	**0 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:

No visual soil staining was seen , soils had no odor, and pit only had produced water from drilling operations. No soil samples were taken.

In March of 2006 the Drilling Production Pit was backfilled and contoured to prevent ponding.

This is part of the Blackhills permit clean-up program.

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: 5/16/06
Printed Name/Title **Daniel R. Manus / Regulatory Technician** 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 DEPUTY OIL & GAS INSPECTOR, DIST. #3 Signature _____ Date: MAY 17 2006

Pit Closure Diagram

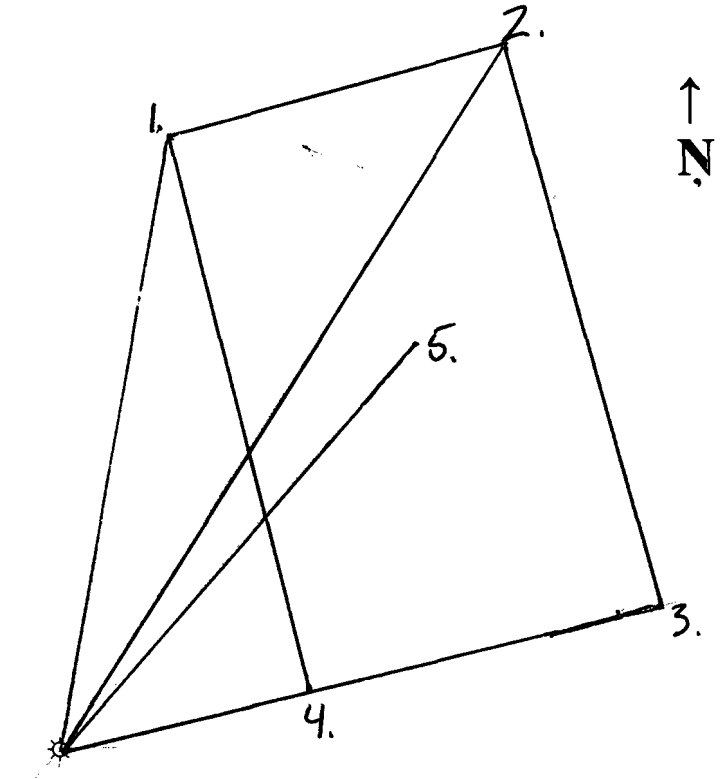
Operator: **Black Hills Gas Resources** Telephone: **(505) 634-1111 ext 27** e-mail address: **dmanus@bhep.com**

Address: **3200 N 1st Street PO Box 249 Bloomfield, NM 87413**

Facility or well name: **Jicarilla 29-02-04 #21** API #: **30-039-27674** U/L or Qtr/Qtr **NW/NW** Sec **4** T **29N** R **2W**

County: **Rio Arriba** Latitude **36° 45' 29.2" N** Longitude **107° 03' 12.5"W** NAD: 1927 ☐ 1983 ☒

Surface Owner: Federal ☐ State ☐ Private ☐ Indian ☒



1. ∠ **10°** from North, 86' from Well Head.
2. ∠ **32°** from North, 116' from Well Head.
3. ∠ **76°** from North, 85' from Well Head.
4. ∠ **76°** from North, 35' from Well Head.
5. ∠ **41°** from North, 75' from Well Head.

Scale: ⅜" = 10'