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

Approval:

Printed Name/Title: _

State of New Mexico Energy, Minerals and Natural Resources

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

For drilling and production facilities, submit to

Form C-144

June 1, 2004

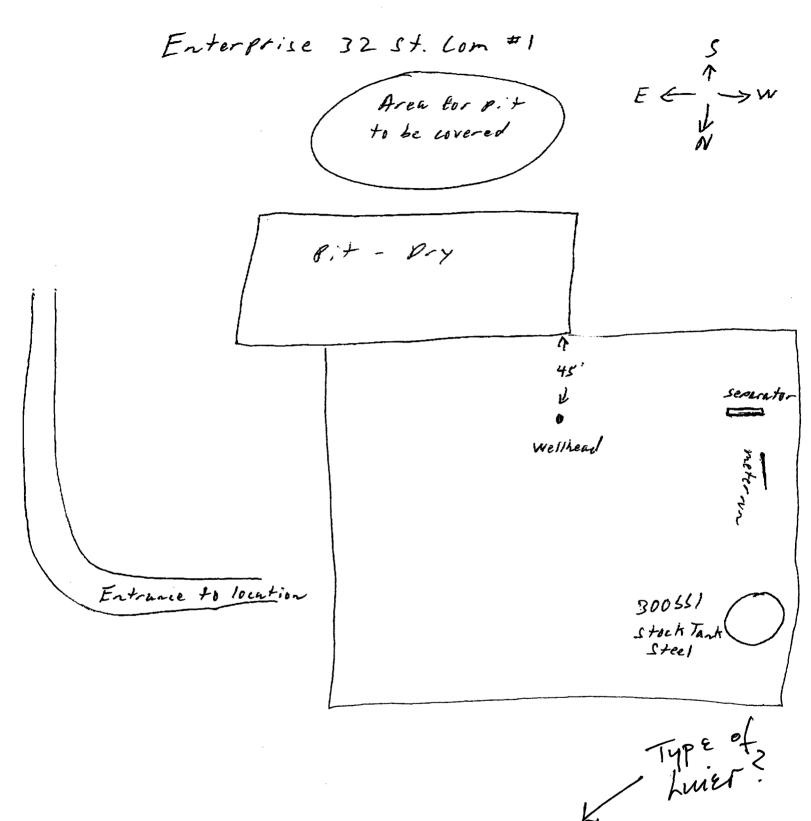
appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe office.

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq No \) \(\textbf{X} \) Type of action: Registration of a pit or below-grade tank \(\subseteq \text{Closure of a pit or below-grade tank } \subseteq \text{X} Operator: Nearburg Producing Company Telephone: 686-8235 e-mail address: sjordan@nearburg.com Address: 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705 Facility or well name: Enterprise 32 St Com #1 API #: 30-015-31186 U/L or Otr/Otr D Sec 32 T185 R 29E NAD: 1927 X 1983 Surface Owner Federal State Private Indian Eddy Latitude Pit Below-grade tank Type: Drilling X Production Disposal Volume: ____bbl Type of fluid: ___ RECEIVED Workover | Emergency | Construction material: __ Double-walled, with leak detection? Yes If not, explain why not. Lined X Unlimited APR 1 7 2006 Liner type: Synthetic X Thickness 12 mil Clav Pit Volume ____ OCD-AHTESIA Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) 100 feet or more (0 points) Wellhead protection area. (Less than 200 feet from a private domestic Yes (20 points) water source, or less than 1000 feet from all other water sources.) No (0 points) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) **Ranking Score (Total 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 you are burying in place) onsite X 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 XYes 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: Close according to General Pit Guidelines IVB3b. 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 X, a general permit , or an (attached) alternative QCD-approved plan . Date: 4/13/06 Printed Name/Title: Sarah Jordan, Production Analyst 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 door is not pliance with apry other federal, state, or local laws and/or regulations. This application cannot be approved,

due to conflicting or missing

information. Please see indicated area.



Plan to dig a bury pit 20' wide x 100' long and line w/ plastic. Put cuttings in pit, cover w/ plastic and 3' of fill dirt.