

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Blanco 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 NMOCED 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: <u>LCK Energy LLC</u> Telephone: <u>432-687-1575</u> e-mail address: <u>larryg@ccronline.com</u>	
Address: <u>110 N. Marion Field St. Suite 200 Midland, TX 79701</u>	
Facility or well name: <u>1685 State 191</u>	API #: <u>30-015-34856</u> U/L or Qn/Qu: <u>0</u> Sec: <u>19</u> T: <u>16S</u> R: <u>25E</u>
County: <u>Eddy</u>	Latitude: <u>32°54'11.04"N</u> Longitude: <u>104°31'20.45"W</u> UNAD: 1927 ☐ 1983 ☒
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐	
Pit Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☒ Thickness: <u>12</u> mil Clay ☐ Pit Volume: <u>11000</u> bbl	Below-grade tank 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 (20 points) 50 feet or more, but less than 100 feet (10 points) <u>XXX</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.)	Yes (20 points) No (0 points) <u>XXX</u>
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) 1000 feet or more (0 points) <u>XXX</u>
Ranking Score (Total Points) <u>10 points</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: _____ (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: Work plan for the closure of drilling pit. The drilling pit contents will be mixed to stiffen the pit contents. An encapsulation trench will be excavated and lined with a 12 mil synthetic liner on former drilling pit site. Drilling pit contents will then be emplaced into the encapsulation trench. A 20 mil synthetic liner will be placed over the pit contents with a min of a 3' over lap of the underlying trench area. This encapsulation trench will then be backfilled back to grade using a run of 3' of clean soil and like material. A one call and 48 hr notice will be provided to the Oil Conservation Division before pit closure actions begin. Pit closure actions will begin 1 week after permit approval.

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 NMOCED guidelines ☒ a general permit ☐ or an (attached) alternative UCU-approved plan ☐

Date: 4/23/07

Printed Name/Title: Larry Gillette Operations Manager Signature: [Signature]

Your certification and NMOCED 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.

Approved: Jim W. Green Signature: _____

Printed Name/Title: District II Supervisor

Date: 4/24/07

Notify NMOCED 24 hours prior to beginning pit closure.

Samples are to be obtained from pit area and analysis submitted to NMOCED prior to back-filling