

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 ☒ JUL - 2 2007

Operator: <u>CHI OPERATING, INC.</u> Telephone: <u>432-685-5001</u> e-mail address: <u>OCD-ARTESIA</u>	
Address: <u>P.O. Box 1799 MIDLAND, TX 79702</u>	
Facility or well name: <u>ALLEN #003</u>	API #: <u>30-015-33788</u> S/U/L or Qtr/Qtr <u>B</u> Sec <u>31</u> T <u>225</u> R <u>27E</u>
County: <u>EDDY</u>	Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner. Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>	
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Below-grade tank Volume _____ bbl Type of fluid: _____ Construction material _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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>10</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>0</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) <u>10</u>
	1000 feet or more (0 points)
Ranking Score (Total Points) <u>20</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: CHI PLANS TO TRENCH BURY THE DRILL PIT AT THE ALLEN #003 AS PER O.C.D. RULE 50 OF PIT OR BELOW GRADE TANK GUIDELINES. WE WILL LINE THE TRENCH W/ 12 MIL LINER AND BURY CONTENTS AND LINER, THEN COVER W/ 20 MIL PLASTIC. WE WILL THEN CAP W/ 3' OF NATIVE MATERIAL CAPABLE OF SUPPORTING NATIVE PLANT GROWTH. WE WILL CONTOUR PIT AREA TO PREVENT EROSION AND PONDING OF RAINWATER. WE WILL NOTIFY O.C.D. 48 HRS. PRIOR TO BEGINNING WORK.

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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date <u>6/28/07</u>	Signature <u>G. Leary</u>
Printed Name/Title <u>GREG LEARY / AGENT</u>	
Your certf otherwise c regulations	Notify OCD 24 hours prior to beginning pit closure.
Does not relieve the eve the operator of	
If pit is situated in an agricultural area, all Pit contents MUST be hauled to disposal.	
Approval: Printed Na:	Signature <u>7/16/07</u>

Jim W. Green
District II Supervisor