

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 NMOCB 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: Nearburg Producing Company Telephone: 432/686-8235 e-mail address: s.jordan@nearburg.com
Address: 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705
Facility or well name: Tomahawk 34 Fed #1 API #: 30-025-34302 U/L or Qtr/Qtr C Sec 34 T 20S R 33E
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

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)	150+
	50 feet or more, but less than 100 feet	(10 points)	
	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)	X
	No	(0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)	X
	200 feet or more, but less than 1000 feet	(10 points)	
	1000 feet or more	(0 points)	
Ranking Score (Total Points)		0	

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: Dig and line a deep pit w/ plastic. Remove contaminated soil from old reserve pit site until clean soil. Cover w/ plastic and 3' clean top soil. Fill old reserve pit area and recontour. Remove caliche from location and road. Rip, reseed and burn entrance.

* PIT LINER - MIN 12 MIL PLASTIC
PIT COVER - MIN 20 MIL PLASTIC - OVERLAP 3' ON EACH EDGE
- PHOTO DOCUMENTATION OF START, COVERS, & FINAL COVER. SUBMIT W/ CLOSURE

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 NMOCB guidelines ☒, a general permit ☐, or an (attached) alternative OCB-approved plan ☐.

Date: 7-12-06

Printed Name/Title: Sarah Jordan, Production Analyst

Signature: [Signature]

Your certification and NMOCB 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: W/ SPEC ON LINER & COVER, FINAL REPORT N/ATK

Date: 7-18-06

Printed Name/Title: W. JOHNSON

Signature: [Signature]

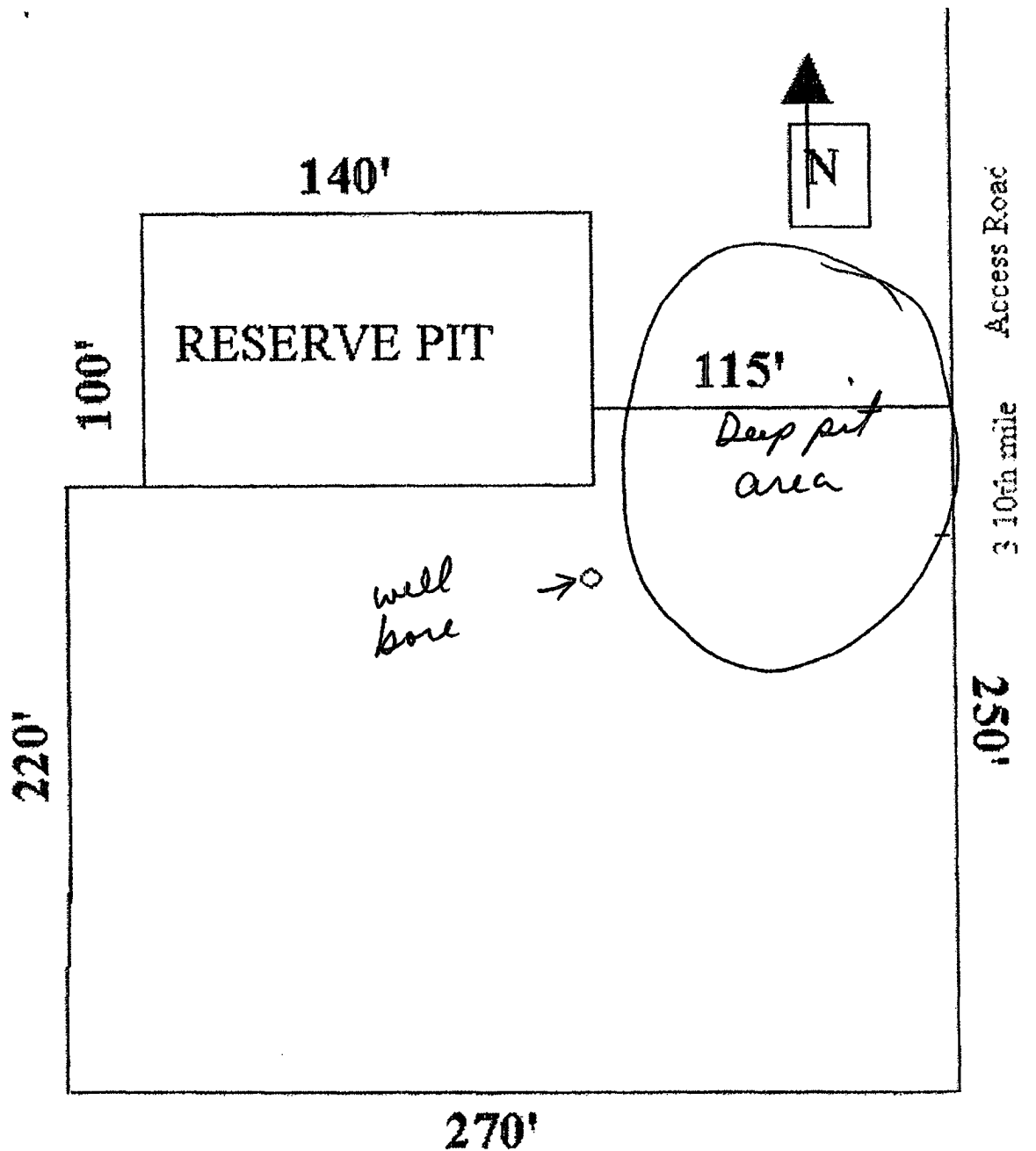


EXHIBIT B
DRILLING RIG LAYOUT
NEARBURG PRODUCING COMPANY
Tomahawk 34 Fed #1