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

JUN 27 2007
OCD-ARTESIA

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 Fasken Oil and Ranch, Ltd. Telephone 432 687-1777 e-mail address jimmyc@forl.com
Address 303 West Wall, Suite 1800 Midland, TX 79701
Facility or well name Skelly Federal No. 4 API # 30 015 35768 U/L or Qtr/Qtr H Sec 9 T 21S R 24E
County Eddy Latitude N32 29 52.5 Longitude W104 2957.6 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 12 mil Clay ☐ Pit Volume 24000 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)	20
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)	0
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)	0
	Ranking Score (Total Points)		20

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: State Engineer's data base shows depth to ground water in Section 10 to be 160'. Mike Bratcher with the NMOCD Artesia office shows ground water in Section 9 at 25' - 50'. Fasken will either drill a borehole to a minimum of 70' and provide this data to the NMOCD, or will use a dig and haul pit reclamation program on this reserve pit.

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 6/25/07
Printed Name/Title Jimmy D. Carlile/Reg. Affairs Signature Jimmy D Carlile

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

____ Signature **Signed By** Mike Bratcher Date JUL 13 2007

As a condition of approval a pit closure plan must be approved prior to the commencement of closure operations.