District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fc, NM 87505

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

Form C-144

March 12, 2004



JAN 29 2008 Pit or Below-Grade Tank Registration or Closure Is pit or below-grade tank covered by a "general plan"? Yes No X Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank Operator: LCX ENERGY, LLC. Telephone: 432-848-0221 e-mail address: Address: 110 NORTH MARIENFELD SUITE 200 MIDLAND, TEX. 79701 Facility or well name: 1724 FEDERAL # 112 API # 30 015 3607 or Otr/Otr B Sec 11 T 175 R24E County: EDDY CO. Latitude 32°51'22.6 Longitude 104°33'24.9" NAD: 1927 | 1983 X Surface Owner Federal X State | Private | Indian Pit Below-grade tank Type: Duilling X Production Disposal Volume: bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes If not, explain why not. Lined XX Unlined Liner type: Synthetic M Thickness 12 mil Clay Volume 1.8M_bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 10 X 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) Av. depth 80' 100 feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic No (0 points) 0 0 water source, or less than 1000 feet from all other water sources.) 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) 0 0 Ranking Score (Total Points) 10 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: _____. (3) Attach a general description of remedial action taken including remediation start date and end onsite offsite If offsite, name of facility_ 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. 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 \(\subseteq \), a general permit \(\subseteq \), or an (attached) alternative OCD-approved plan \(\subseteq \). Date: \(12/06/07) Printed Name/Title Joe T. Janica / Agent _Signature Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the ontents of the pit or tank contaminate ground water or responsibility for compliance with any other federal, state, or local laws and/or otherwise endanger public health or the environment. Nor does it relieve the operator of its regulations. JAN 3 1 2008 Signed By Mile Brance Printed Name/Title

AS A CONDITION OF APPROVAL, A DETAILED CLOSURE PLAN MUST BE APPROVED BEFORE CLOSURE MAY COMMENCE.