

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

NOV 19 2008

OCD-ARTESIA

Form C-144
March 12, 2004
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

DENIED

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 ☐

30.015.36756

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Operator: V-F Petroleum, Inc. Telephone: 432-683-3344 e-mail address:

Address: P.O. Box 1889 Midland, TX 79702

Facility or well name: Budge Federal Com., #2 API U/L or Qtr/Qtr NWSE Sec 21 T 20S R 30E

County: Eddy (Approx.) Latitude N32°33'25.5" Longitude W103°58'27.8" NAD: 1927 ☐ 1983 X Surface Owner Federal X State Private ☐ Indian ☐

Pit

Type: Drilling X Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined Unlined ☐ Work over steel tanks

Liner type Synthetic - Thickness 12 mil Clay ☐ Volume
10,000+ 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)
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)

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)

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:

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.

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 X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date 5/28/07

Printed Name/Title George R. Smith, agent for V-F Petroleum, Inc. Signature *George R. Smith*

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:

Date:

Printed Name/Title Signature **DENIED**

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	V-F Petroleum, Inc.
LEASE NO.:	LC -029096-A
WELL NAME & NO.:	Budge Federal Com 2
SURFACE HOLE FOOTAGE:	1996' FSL & 1792' FEL
BOTTOM HOLE FOOTAGE:	1650' FNL & 1980' FWL
LOCATION:	Section 21, T. 20 S., R 30 E., NMPM
COUNTY:	Eddy County, New Mexico

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☐ **Special Requirements**
 - Lesser Prairie Chicken
 - Sand Dune Lizard
 - Aplomado Falcon
 - Cave/Karst
 - VRM
 - Cultural
- ☒ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System**
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
- ☒ **Production (Post Drilling)**
 - Pipelines
- ☒ **Reseeding Procedure/Interim Reclamation**
- ☐ **Final Abandonment/Reclamation**