

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-3
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
NM94192

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No. **<33346>**
Southpaw 30 Federal #2

9. API Well No.
30-025-36865

10. Field and Pool, or Exploratory
Shugart **Delaware North**

11. Sec., T. R. M. or Blk. and Survey or Area

Sec 30- 18S- 32E

12. County or Parish
Lea Co.

13. State
NM

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator
Pecos Production Company

3a. Address **400 W. Illinois, Ste 1070, Midland, TX 79701**

3b. Phone No. (include area code)
<215 758>
432-620-8480

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface **960' FSL & 2100' FWL**

At proposed prod. zone **960' FSL & 2100' FWL**

Unit N

14. Distance in miles and direction from nearest town or post office*
10 Miles South of Maljamar

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
360'

16. No. of acres in lease
80

17. Spacing Unit dedicated to this well
40

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. **1506'**

19. Proposed Depth
5000'

20. BLM/BIA Bond No. on file
NMB000020

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3687' GL

22. Approximate date work will start*

23. Estimated duration
4 Weeks

24. Attachments

CAPITAN CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature **Dora Lara**

Name (Printed/Typed)
Dora Lara

Date
07/06/2004

Title
Engr Asst.

Approved by (Signature)
/s/ Joe G. Lara

Name (Printed/Typed)
/s/ Joe G. Lara

Date
8 SEP 2004

Title
FIELD MANAGER

Office
CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

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DRILLING PROGRAM

Attachment to Form 3160-3
Pecos Production Company
Southpaw 30 Federal No. 2
960' FSL & 2100' FWL
Section 30, T18S, R32E
Lea County, New Mexico

1. Geologic Name of Surface Formation

Quaternary Alluvium

2. Estimated Tops of Important Geological Formations

Top of Salt Section	950'
Base of Salt Section	2300'
Yates	2550'
Queen	3600'
San Andres	4450'
Delaware	4900'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

Water: Approximately 200'
Oil: 3600', 4050', 4450', 4750'

No other formations are expected to yield oil, gas or fresh water in measurable volumes. Any surface fresh water sands will be protected by setting 8-5/8" casing at ~~650'~~ ^{1100'} and circulating cement back to surface. The Salt will be isolated with a 5-1/2" production casing string set through the San Andres @ approximately 5000' and cement circulated to surface.

4. Casing Program

<u>Hole Size</u>	<u>Interval</u>	<u>Casing</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>
11"	650' ^{1100'}	8-5/8"	24#	J-55	ST&C
7-7/8"	0' - 5000'	5-1/2"	15.5#	J-55	LT&C

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Cementing Program*

650' 8-5/8" Surface Casing: Cement to surface:
Slurry: 350 sxs Class C containing 0.25 pps Cello-flake. 2% CaCl.

5000' 5-1/2" Production Casing

Lead Slurry: 50:50:10 Poz C containing 10% bentonite, 0.1% FLAC, 0.25 pps Cello-flake – or equivalent.

Tail Slurry: 50:50:2 Poz C containing 2% bentonite, 5% (bwow) salt, 0.25 pps Cello-flake – or equivalent.

*Cement designs may change as hole conditions dictate.

5. Minimum Specifications for Pressure Control

The blowout preventor equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type preventor. This unit will be hydraulically operated. The BOP will be installed on the 8-5/8" surface casing and utilized continuously until total depth is reached. Prior to drilling out of the 8-5/8" casing shoe, the BOP will be pressure tested to 1000 psi.

Pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These function test will be documented on the daily driller's log. Other accessory BOP equipment will include a kelly cock, floor safety valve, choke lines and choke manifold having a 3000# WP rating.

6. Types and Characteristics of Proposed Mud System

This well will be drilled to total depth with fresh water, and cut brine/starch mud systems. Depths are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity</u>	<u>Water Loss</u>
0' - 650'	Spud Mud	8.3 - 9.2	28 - 36	No control
1100' - 3500'	Brine	10.0 - 10.3	29	No control
3500' - 5000'	Brine/Starch	10.0	32	10cc

7. Auxiliary Well Control and Monitoring Equipment

A. A kelly cock will be in the drill string at all times.

B. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

8. Logging, Testing and Coring Program

A. No cores or test planned.

B. The open hole electrical logging program will be:

1. DLL/MSFL/GR (TD-650')
Note: GR will be pulled to Ground Level
2. DEN/NEU/CAL (TD to 650')
Note: Neutron log will be pulled to Ground Level

C. No coring program is planned.

D. No additional testing will be initiated subsequent to setting the 5-1/2" production casing.

9. Abnormal Pressures, Temperatures and Potential Hazards

No abnormal pressures or temperatures are expected. The anticipated bottom hole temperature at total depth is 110 degrees and maximum bottom pressure is 2000 psia. Lost circulation within the surface and intermediate intervals is possible. Small quantities of hydrogen sulfide gas are associated with the Queen, Grayburg and San Andres formations in this area. However Radii of exposure is such that this operation is exempt from specific requirements. However a hydrogen sulfide plan is on file.

10. Anticipated Starting Date and Duration of Operations

Archeological Survey Consultants has been requested to perform and submit a cultural resources examination to the BLM office in Carlsbad, New Mexico.

Road and location preparation will not be undertaken until approval has been received from the BLM. The anticipated spud date for this well is as soon as permitted. The drilling operation should require approximately 10 days. If the well is deemed productive, completion operations will require, at minimum, an additional 10 days for completion and testing.

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SURFACE USE AND OPERATING PLAN

Attachment to Form 3160-3
Pecos Production Company
Southpaw 30 Federal No. 2
960' FSL & 2100' FWL
Section 30, T18S, R32E
Lea County, New Mexico

1. Existing Roads

- A. The well site and elevation plat for the proposed Southpaw 30 Federal No. 2 are reflected on Exhibit #2. The well was staked by John West Engineering of Hobbs, New Mexico.
- B. Approximately 200 feet of new road will extend North to SW corner of pad on Exhibit #3.
- C. Intersection of Hwy 529 and Hwy 126 in Lea County. South (on Hwy 126) 5.6 miles to right (Southwest) 0.6 miles on existing lease road. Right onto new lease road 2100 feet to Southpaw 30 Federal No. 1

2. Proposed Access Road

Only 200 feet of new road will be built.

3. Location of Existing Wells

Exhibit #4 shows all existing wells within a one-mile radius of the proposed Southpaw 30 Federal No. 1.

4. Location of Existing and/or Proposed Facilities

If the well is productive, all produced fluids will transport via 2 ½" flowline to existing facilities located at Southpaw 30 Federal No. 1 as reflected on Exhibit #6.

- B. No new facilities will be built.
- C. The well should be a pumping oil or gas well.
- D. If the well is productive, rehabilitation plans are as follows:
 - 1. Free water will be hauled to disposal and the reserve pit will be back-filled after the contents of the pit are dry, and topsoil replaced (within 120 days of completion, weather permitting).

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2. At abandonment caliche from the drill pad will be removed. The original topsoil from well site will be returned to the location. The drill site will then be contoured to the original natural state.

5. Location and Type of Water Supply

The Southpaw 30 Federal No. 2 will be drilled using a combination of brine and fresh water mud systems (outlined in Drilling Program). The water will be obtained from commercial sources and trucked to location.

6. Sources of Construction Materials

All caliche utilized for the drilling pad will be obtained from the reserve pit area or an existing BLM approved pit.

7. Methods of Handling Water and Waste Disposal

- A. Drill cuttings will be disposed into the reserve pit.
- B. Drilling fluids will be contained in steel mud tanks or lined earthen pits and the reserve pit. After drilling operations are complete, free water will be hauled to disposal, the cuttings and mud allowed to dry, and the pit backfilled according to OCD guidelines.
- C. The reserve pit will be fenced on three sides throughout drilling operations and will be totally isolated upon removal of the rotary rig. The pit will be lined using a 12 mil plastic to prevent loss of drilling fluids.
- D. Water produced from the well during completion operations will be disposed into a steel tank. After placing the well on production, all water will be collected in tanks, pumped to a nearby lease for injection or trucked to disposal.
- E. Garbage, trash and waste paper produced during drilling operations will be collected in a contained trailer and disposed at an approved landfill. All waste material will be contained to prevent scattering by the wind. All water, fluids, salt or other chemicals will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be generated by this operation.

8. Ancillary Facilities

No campsite or other facilities will be constructed as a result of this well.

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9. Well Site Layout

- A. The drill pad is shown on Exhibit #5. Approximate dimensions of the pad, pits and general location of the rig equipment are displayed. Top soil, if any found, will be stored adjacent to the pad until reclamation efforts are undertaken. Only modest cuts will be necessary to build the pad which will be covered with 6" compacted caliche.
- B. No permanent living facilities are planned, temporary trailers for the tool pusher, and company supervisors may be on location throughout drilling operations.
- C. The reserve pit and earthen pits will be lined using plastic sheeting minimum 12 mil thickness.

10. Plans for Restoration of Surface

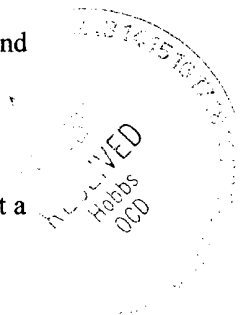
- A. After concluding the drilling, completion and/or production operations, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- B. The pit lining will remain intact during reclamation in order to prevent leaching. All pits will be filled and location leveled, weather permitting, within 120 days after abandonment. Original topsoil will be returned to the pit area.
- C. The location will be rehabilitated as recommended by the BLM.

11. Surface Ownership

This well site is owned by the U.S.A. An agreement for surface orientation and use has been reached with the BLM Field Inspector during the onsite meeting.

12. Other Information

- A. The area surrounding the well site is gypsiferous and supportive of desert scrub and grassland formation. The vegetation is moderately sparse with desert scrub.
- B. No permanent water or water wells are within a 1 mile radius of this location.
- C. Southern NM Archeological Surveyors has been requested to perform and submit a cultural resources examination to the BLM office in Carlsbad, New Mexico.



13. Lessee's and Operator's Representative

The Pecos Production Company representative responsible for ensuring compliance of the surface use plan is:

William R. Huck
VP – Engr. and Operations
(432) 620-8480

Pecos Production Company
400 W. Illinois, Suite 1070
Midland, TX 79701

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road, that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Pecos Production Company and its contractors under which it is approved.

Signed: Dora Lara Date: 7-7-04
Dora Lara – Engr. & Operations Asst.

BLOWOUT PREVENTOR ARRANGEMENT

11" DOUBLE RAM – 3000 psi WP
80 GALLON, 3 STATION ACCUMULATOR
3000 PSI CHOKE MANIFOLD

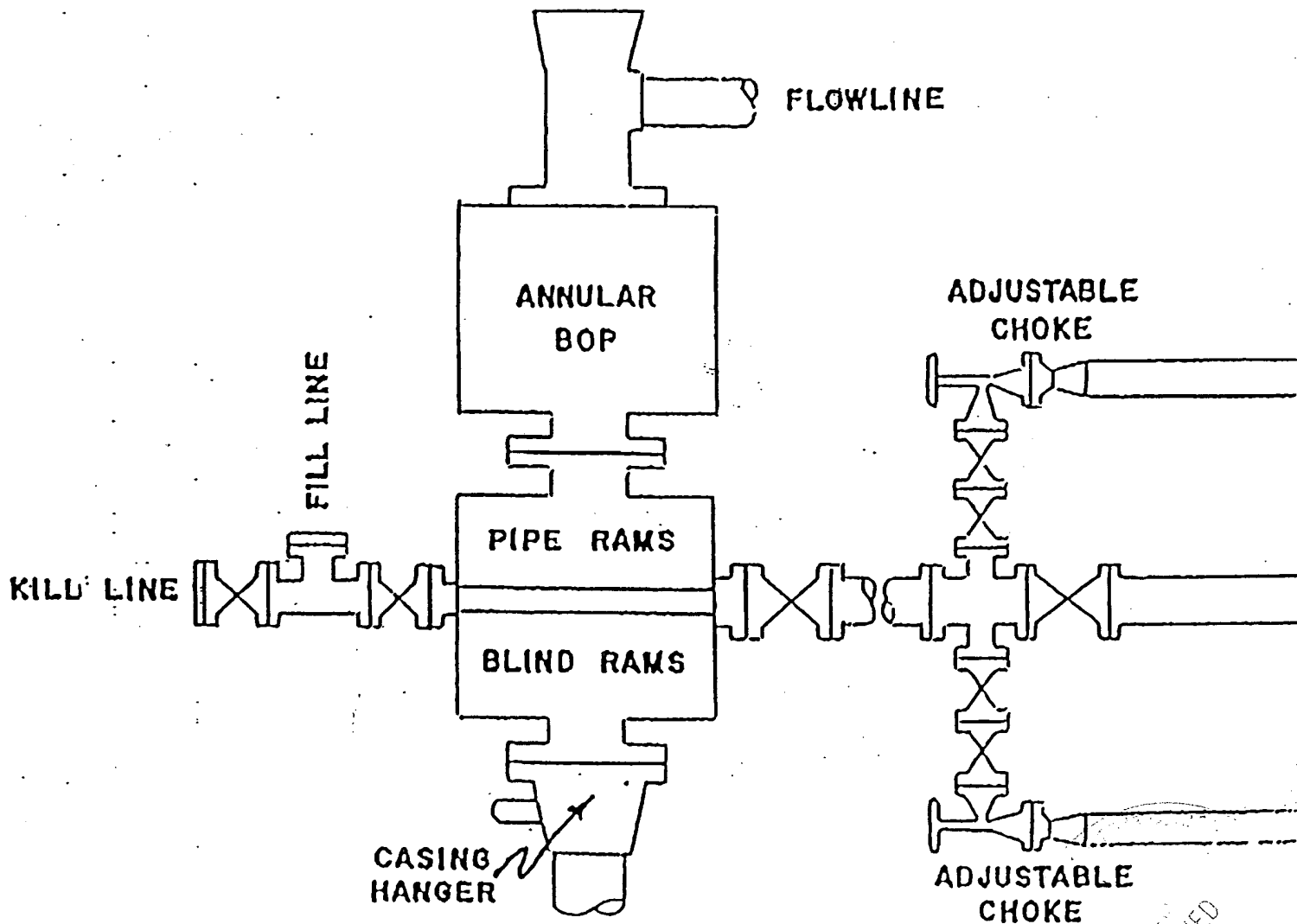


Exhibit #1
Pecos Production Company
Southpaw "30" Federal No. 2
960' FSL & 2100' FWL
Sec. 30, T-18-S, R-32-E
Lea Co., NM

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Attachment to Exhibit #1
Attachment to Form 3160-3
Pecos Production Company
Southpaw 30 Federal No. 2
960' FSL & 2100' FWL
Section 30, T18S, R32E
Lea County, New Mexico

1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
2. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 2000 psi working pressure.
3. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
4. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
5. Will maintain a kelly cock attached to the kelly.
6. Hand wheels and wrenches will be properly installed and tested for safe operation.
7. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

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JUN 24 2004

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36865	Pool Code 96428	Pool Name Shugart Delaware North
Property Code 33346	Property Name SOUTHPAW 30 FEDERAL	Well Number 2
GRID No. 215758	Operator Name PECOS PRODUCTION COMPANY	Elevation 3687'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	18-S	32-E		960'	SOUTH	2100'	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 80 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>LOT 1</p> <p>41.07 AC</p> <p>LOT 2</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=623805.7 N X=661872.6 E</p> <p>LAT.=32°42'49.80" N LONG.=103°48'25.34" W</p> <p>41.09 AC</p> <p>LOT 3</p> <p>41.11 AC</p> <p>LOT 4</p> <p>41.13 AC</p> <p>2100'</p> <p>3689.6'</p> <p>3683.5'</p> <p>3678.8'</p> <p>960'</p> <p>600'</p> <p>600'</p> <p>SEP 2004 FILED Hobbs OCD</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Dora Lara</i></p> <p>Signature</p> <p>Dora Lara</p> <p>Printed Name</p> <p>Engr Asst</p> <p>Title</p> <p>7-7-04</p> <p>Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JUNE 21, 2004</p> <p>Date Surveyed</p> <p>JR</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary Edson</i></p> <p>04.11.0760</p> <p>Certificate No. GARY EDSON 12641</p>
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Exhibit #2

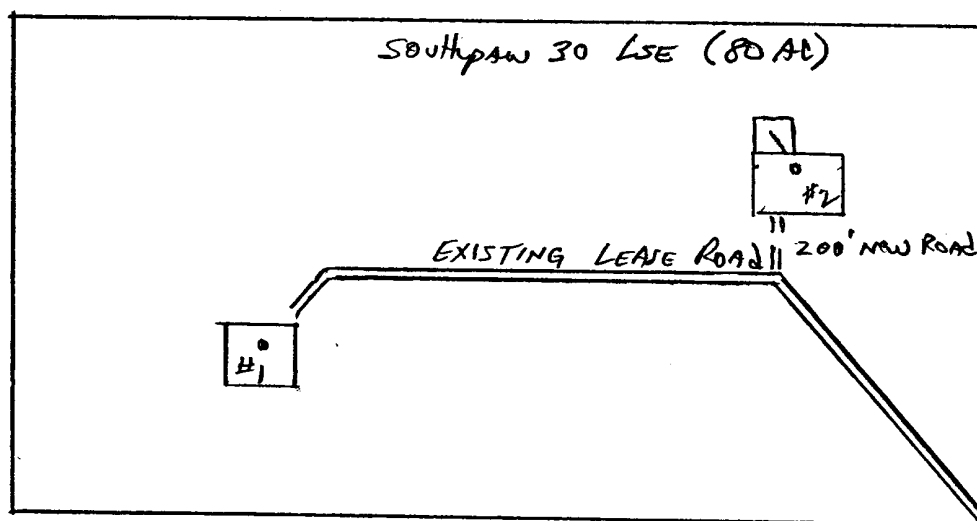
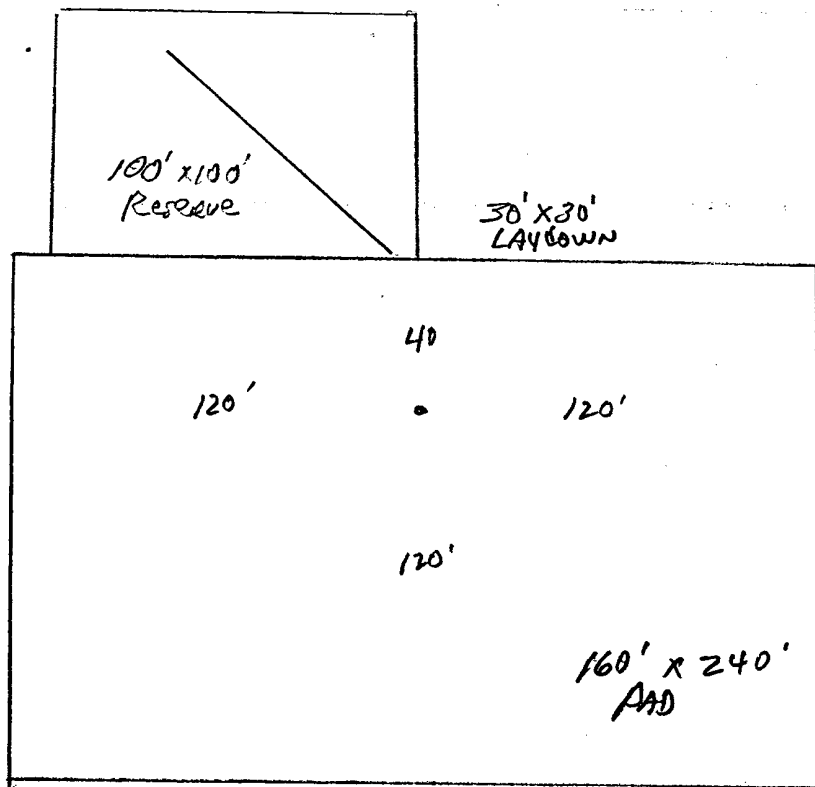
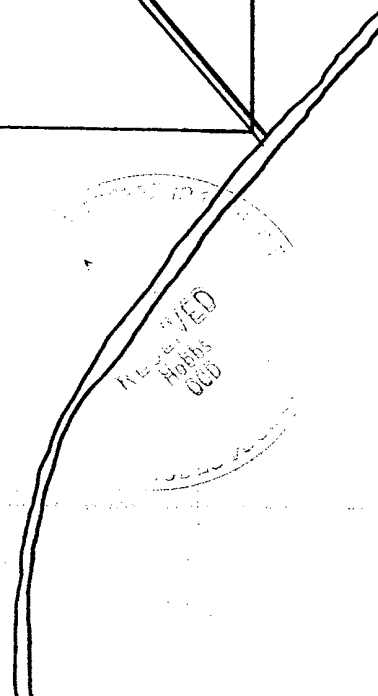
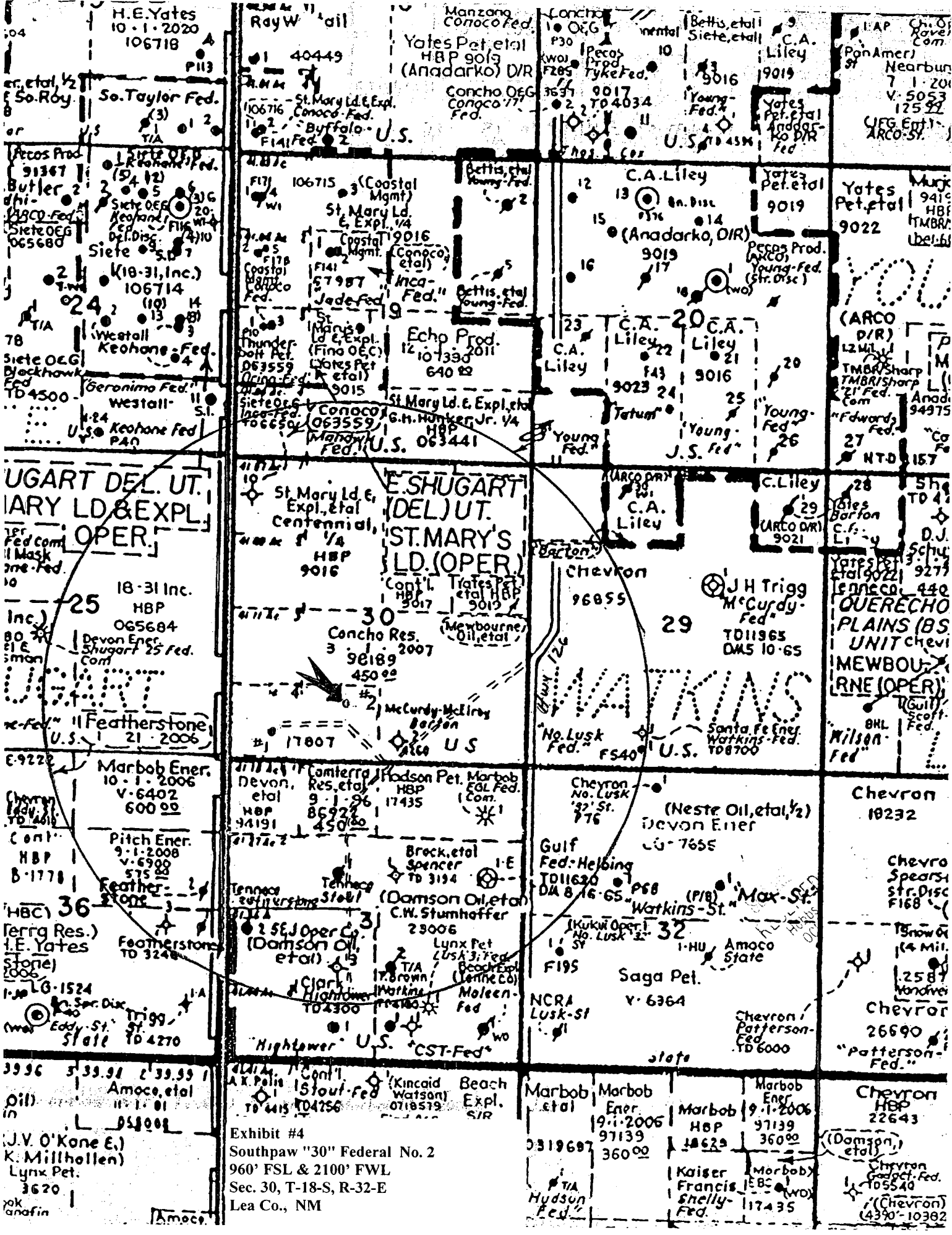


Exhibit #3
 Pecos Production Company
 Southpaw "30" Federal No. 2
 960' FSL & 2100' FWL
 Sec. 30, T-18-S, R-32-E
 Lea Co., NM

Pecos PRODUCTION Co.
 SOUTHPAW 30 FEDERAL #2
 960' FSL + 2100' FWL
 SEC 30, T-18-S, R-32-E
 LEA Co., NM
 Scale 1" = 500'





H.E. Yates
10-1-2020
106718

So. Taylor Fed.
(3)
TIA

Pecos Prod.
91367
Butler 2
Siete OEG
Siete OEG
065680

Siete OEG
065680

10-31, Inc.)
106714
(10)
14
(8)

Westall
Keohane Fed.
106714

Blackhawk
Fed.
TD 4500

U.S. Keohane Fed.
P40

UGART DEL. UT.
MARY LD & EXPL.
OPER.

18-31 Inc.
HBP
065684

Devon Ener.
Shugart 25 Fed.
Com.

Featherstone
U.S.
21-2006

Marbob Ener.
10-1-2006
V-6402
600 00

Pitch Ener.
9-1-2008
V-6900
575 00

Featherstone
TD 3240

Featherstone
TD 3240

Trigg
Eddy St.
State TD 4270

Marbob Ener.
10-1-2006
V-6402
600 00

Pitch Ener.
9-1-2008
V-6900
575 00

Featherstone
TD 3240

Featherstone
TD 3240

Trigg
Eddy St.
State TD 4270

Amoco, etal
11-1-01
058001

(J.V. O'Kone E.)
K. Millhollen)
Lynx Pet.
3620

Amoco

Ray W. Oil
40449

St. Mary Ld. & Expl.
Conoco Fed.
106716

Buffalo U.S.
F141 Fed.

Coastal Mgmt.
106715

St. Mary Ld. & Expl. V4
E. Expl. V4
2016

Coastal Mgmt.
(Conoco)
etal)

Inca Fed.
Jade Fed.
Echo Prod.
12-10-1330
2011
640 00

St. Mary Ld. & Expl. etal
G.H. Hunker, Jr. V4
HBP
U.S. 063441

St. Mary Ld. & Expl. etal
Centennial
HBP
9016

Concho Res.
3-9-189
2007
450 00

McCurdy-McIlroy
Barton
U.S.

17807

Devon, Res. etal
etal
9-1-96
17435

HBP
86922
94191

Marbob
FD 3194

Breck etal
Spencer
TD 3194

(Damson Oil etal)
C.W. Stumhoffer
29006

Lynx Pet.
Lusk 3 Fed.
Beach Expl.
(Tenne Co)
Moleen Fed.

Clark
Highway
TD 4300

Highway U.S.
CST Fed.

Exhibit #4
Southpaw "30" Federal No. 2
960' FSL & 2100' FWL
Sec. 30, T-18-S, R-32-E
Lea Co., NM

Manzano Conoco Fed.
Yates Pet. etal
HBP 9019
(Anadarko) D/R

Concho OEG
Conoco Fed.

Concho
P30
Pecos
F285
Tyke Fed.

10-1-2020
9017
TD 4034

Young Fed.
U.S. TD 45M

C.A. Liley
12
13
15
16

9019
9016

Young Fed.
J.S. Fed.

C.A. Liley
20
21
22
23
24
25
26

Young Fed.
J.S. Fed.

C.A. Liley
9023

Tatum
Young Fed.

C.A. Liley
9021

Chevron
96855

J.H. Trigg
McCurdy Fed.
TD 11965
DMS 10-65

Chevron
No. Lusk
22 St.
776

(Neste Oil, etal, 1/2)
Devon Ener
CU-7655

Gulf Fed. Helbing
TD 11620
DA 8-16-65

Watkings-St.
Max-St.
1-HU Amoco State

Saga Pet.
V-6364

NCR
Lusk-St.

Chevron
Patterson Fed.
TD 6000

Marbob
Ener.
19-1-2006
97139
360 00

Marbob
HBP
18629

Marbob
Ener.
9-1-2006
97139
360 00

Kaiser Francis
Shelly Fed.

Marbob
Ener.
9-1-2006
97139
360 00

Chevron
HBP
22643

(Damson etal)
Chevron
Gadpet Fed.
105540
(Chevron)
(4390-10382)

AP Ch. O.
Rover Com.
Nearburn
7-1-201
V-5053
125 00

UFG Ent.
ARCO-St.

Yates Pet. etal
9019

Pecos Prod.
ARCO
Young Fed.
(Str. Disc)

Yates Pet. etal
9022

ARCO
D/R
12-1-11
TMBS Sharp
TMBS Sharp
21 Fed.
Com.

"Edward Fed.
27
NTD 157

Yates Pet. etal
9021

Chevron
10232

Chevron
Spears
Str. Disc
F168

Tenne Co
14 Mil.
2587
Wandve

Chevron
26690
"Patterson Fed."

Chevron
10232

Chevron
Spears
Str. Disc
F168

Tenne Co
14 Mil.
2587
Wandve

Chevron
26690
"Patterson Fed."

Chevron
HBP
22643

(Damson etal)
Chevron
Gadpet Fed.
105540
(Chevron)
(4390-10382)

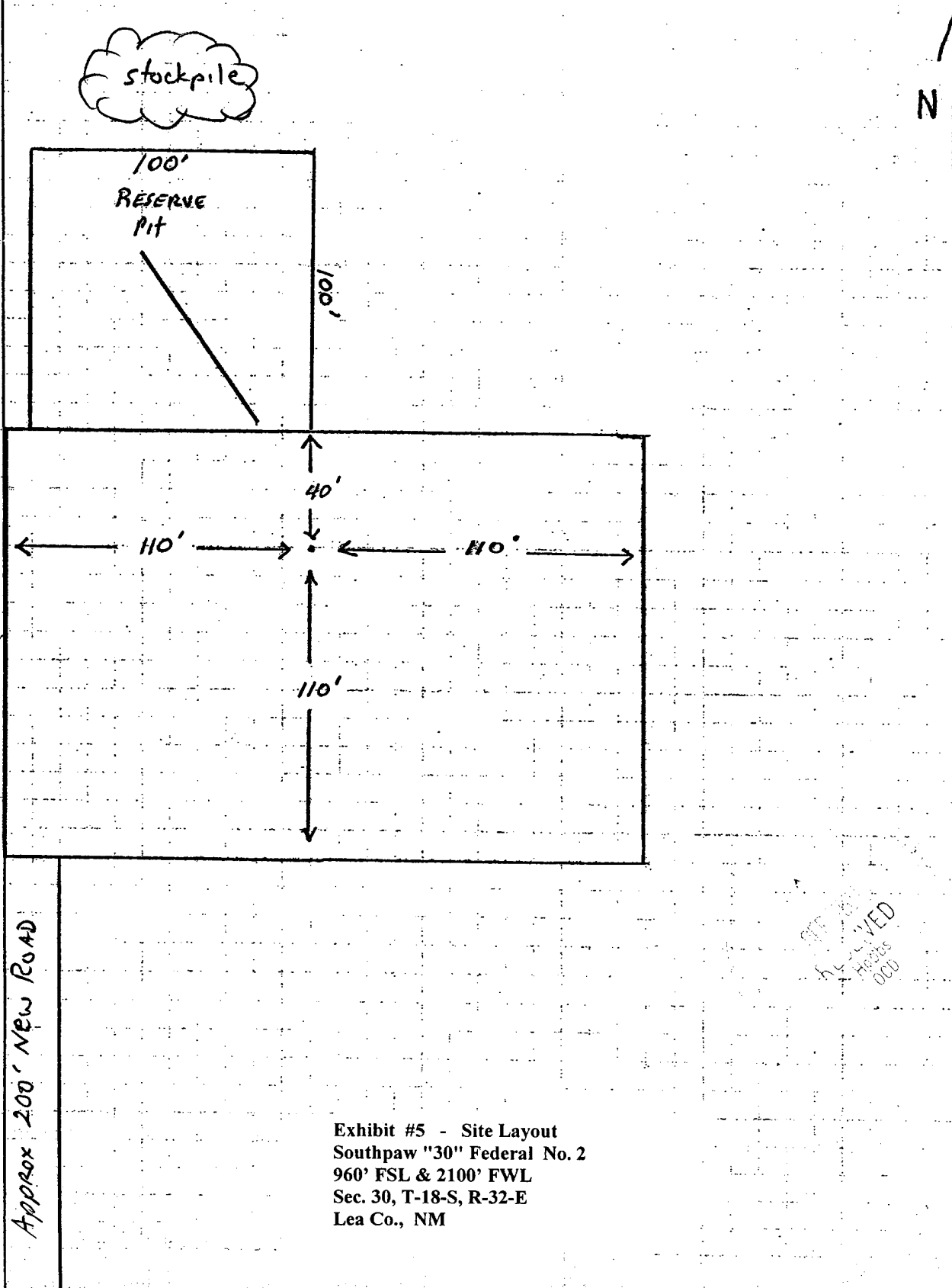


Exhibit #5 - Site Layout
Southpaw "30" Federal No. 2
960' FSL & 2100' FWL
Sec. 30, T-18-S, R-32-E
Lea Co., NM

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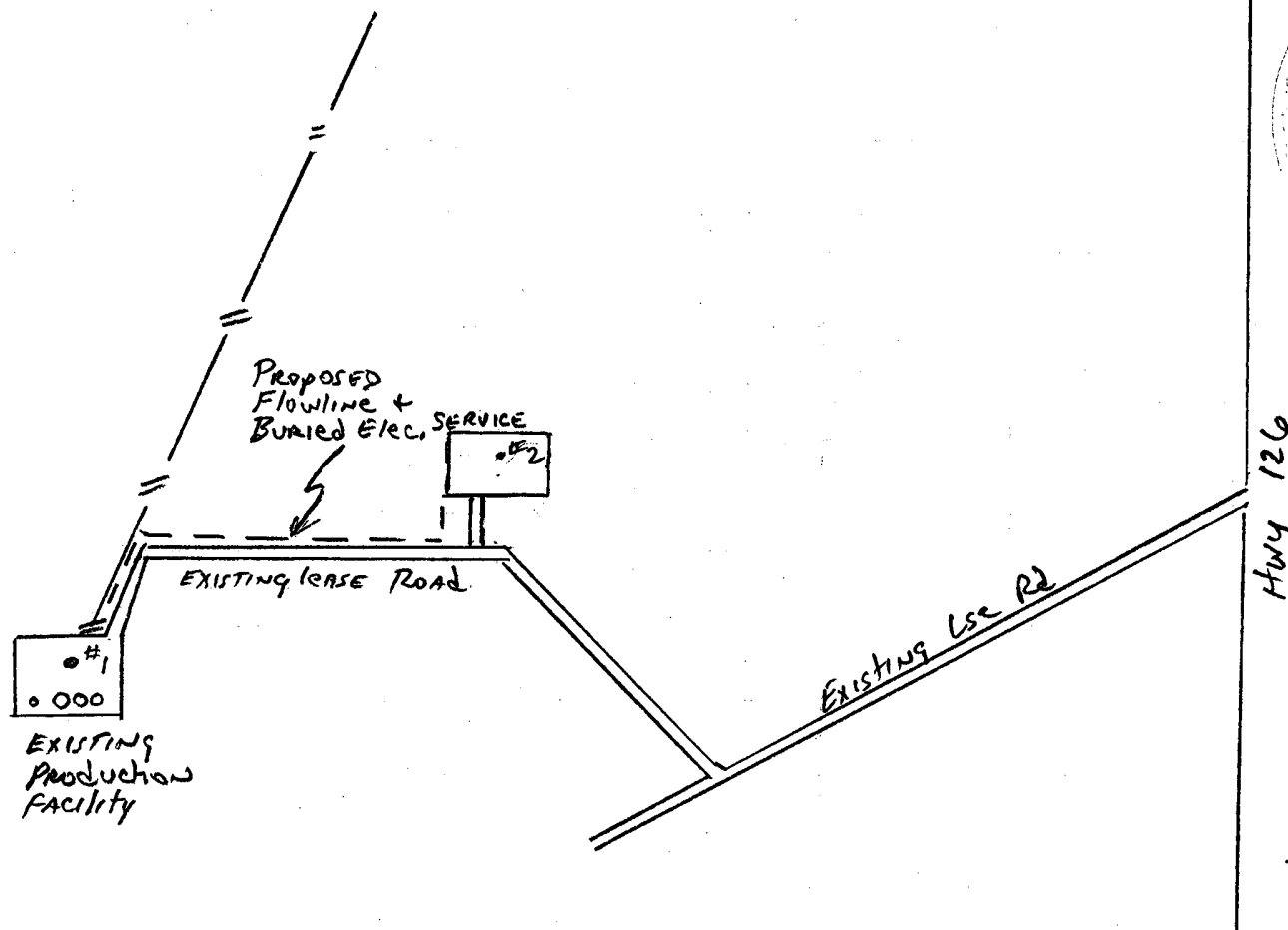


Exhibit #6
Pecos Production Company
Southpaw "30" Federal No. 2
960' FSL & 2100' FWL
Sec. 30, T-18-S, R-32-E
Lea Co., NM

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name : Pecos Production Company
Street or Box : 400 W. Illinois, Suite 1070
City, State : Midland, TX
Zip Code : 79701

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM 94192

Legal Description of Land: 960' FSL & 2100' FWL of Section 30, T18S-R32E

Formation (s) (if applicable): San Andres / Grayburg

Bond Coverage (State if individually bonded or another's bond): \$25,000
Statewide (NM)

BLM Bond File No.: NMB000020

Authorized Signature:

Title: President

Date: 7/07/04

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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

Form C-144
June 1, 2004

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

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: Pecos Production Company Telephone: 432-620-8480 e-mail address: billh@pecosproduction.com
Address: 400 W. Illinois, Suite 1070, Midland, TX 79701
Facility or well name: Southpaw 30 Federal #2 API #: 30-025-36865 U/L or Qtr/Qtr_N Sec 30 T 18S R 32E
County: Lea Latitude 32°42'49.80" N Longitude 103°48'25.34" W NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume 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 - <input checked="" type="checkbox"/>	(0 points)	0
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 - <input checked="" type="checkbox"/>	(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	(20 points)	
	200 feet or more, but less than 1000 feet	(10 points)	
	1000 feet or more - <input checked="" type="checkbox"/>	(0 points)	0
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:

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: 8-17-04

Printed Name/Title William R. Huck, VP- Engr & Operations

Signature William R. Huck

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:

Printed Name/Title

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

Date:

SEP 21 2004