

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: Latigo Petroleum, Inc. Telephone: 432-684-4293 e-mail address: _____
Address: 415 W. Wall Street Ste. 1900 Midland, Tx. 79701
Facility or well name: Central Corbin Queen API #: 30-025-36869 U/L or Qtr/Qtr _____ Sec 9 T 18s R 33e
County: Lea Unit # 107 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 type="checkbox"/> Thickness _____ 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)
	50 feet or more, but less than 100 feet	(10 points)
	100 feet or more	(0 points) X
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) X
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) X
Ranking Score (Total Points)		0 Points

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: Drilling Pit Closure Report - The Pit contents were mixed with earthen material and stiffened. An encapsulation trench was constructed and lined with a 12 mil liner. Pit contents were placed in the lined trench. A 20 mil synthetic liner was placed over the pit contents 3 ft. below ground surface and with a 3 ft. overlap. The capping liner was topped with a minimum of 3 ft. of native soil and graded to prevent pooling.

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: 10-31-05
Printed Name/Title C. H. Kerby / Agent Signature C. H. Kerby / Allstate Environmental Inc.

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 GARY W. WINK / STAFF MGR Signature Gary W. Wink Date: 11/9/05

**Closure Report
October 31, 2005**

**Latigo Petroleum, Inc.
Central Corbin Queen Unit #107
Lea County, New Mexico**

Prepared by Allstate Environmental Services

P.O. Box 11322

Midland, Tx. 79702

Table of Contents

Closure Summary

Attachment I
Form C-144

Attachment II
Schematic

Closure Summary

Pursuant to Pit and Below-Grade Tank Guidelines as published November 1, 2004 by the New Mexico Oil Conservation Division.

Allstate Environmental Services was contracted by Latigo Petroleum, Inc. to commence closure activities of the drilling pits at the Central Corbin Queen Unit #107 lease in Lea County on October 10, 2005. As described in the Form C-144 (Attachment I) for the Central Corbin Queen Unit #107 lease, the fluids in the pit were removed and disposed of. The contents were then stiffened and buried per option IV.B.3.(b) of the Pit and Below-Grade Tank Guidelines. Closure of the pits was completed October 13, 2005.

A schematic drawing of the pits in relation to any other equipment on the location is included in Attachment II.

Any concerns or questions regarding this site may be addressed to Randy Offield, Allstate Environmental Services, at 432-682-3547 or his e-mail address at allstateenviro@sbcglobal.net.

Latigo Petroleum Pit Closure Site Sketch

Central Corbin Queen Unit #107

October 18, 2005

