District 1 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

t 2

Printed Name/Title

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

Is pit or below-grade tan	ide Tank Registration or Clo k covered by a "general plan"? Yes 🗌	No 🛛
Type of action: Registration of a pit c	or below-grade tank X Closure of a pit or below	-grade tank
Dperator: Gruy Petroleum Management Co. Telephone: Gruy Petroleum Management Co.	072-443-6489 e-mail address: zfarris@cimarex.c	com
· · · · · · · · · · · · · · · · · · ·		
Facility or well name: Quail Ridge 32 State No. 2 API #: 30-025-	31703 U/L or Qtr/QtrK Sec 32	T19S R34E
County: Lea Latitude 323653.5N Longitude 10335	504.1W NAD: 1927 🔀 1983 🗖 Surfac	e Owner Federal 🗍 State 🔀 Private 🗍 Indian 🗍
24	Below-grade tank	
Type: Drilling 🛛 Production 🗖 Disposal	Volume:bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes _ If not, explain why not.	
Workover Emergency		
Lined 🔀 Unlined 🗌		
Liner type: Synthetic X Thickness 12 mil Clay X Volume		
0bbl Closed system Cuttings buried in lined burial cell.		
	Less than 50 feet	(20 points)
Depth to ground water (vertical distance from bottom of pit to seasonal high	50 feet or more, but less than 100 feet	(10 points)
water elevation of ground water.)	100 feet or more	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic	Yes	(20 points)
water source, or less than 1000 feet from all other water sources.)	No	(0 points)
	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
	Ranking Score (Total Points)	0
If this is a pit closure: (1) attach a diagram of the facility showing the pit's	s relationship to other equipment and tanks (2) It	dicate dispetal location:
onsite [] offsite [] If offsite, name of facility		
date. (4) Groundwater encountered: No 🗋 Yes 🗋 If yes, show depth belo		
diagram of sample locations and excavations.	by ground sarraceft. and attach sa	ample results. (5) Attach soil sample results and a
I hereby certify that the information above is true and complete to the best of been/will be constructed or closed according to NMOCD guidelines X, a Date: 02-06-06	a general permit [_], or an (attached) alternativ	ve OCD-approved plan 🛄.
Printed Name/Title Zeno Farris Manager Operations Administration	Signature Chof and	
Your certification and NMOCD approval of this application/closure does not otherwise endanger public health or the environment. Nor does it relieve the regulations.	relieve the operator of liability should the conten operator of its responsibility for compliance with	ts of the pit or tank contaminate ground water or any other federal, state, or local laws and/or
Approval: DateFEB 1 3 2006		
Approval: DateFEB 1 3 2006	and the	

PETROLEUM ENGIN 14 Signature____





LAT -	r.u. 60x 1766	W.O. Number: 6172AA - KJG CD#4		
DASIN	Hobbs, New Mexico 88241	Survey Date: 01-24-2006	CIMAREX ENERGY	
Surveys	(505) 393-7316 - Office	Scale: 1" = 2000'	COMPANY	
focused on excellence in the oilfield	(505) 392-3074 - Fax basinsurveys.com	Date: 01-26-2006		



Gruy Petroleum Management Co.

5215 North O'Connor Road & Suite 1500 & Irving, TX 75039 & (972) 401-3111 & Fax (972) 443-6486 Mailing Address: P.O. Box 140907 & Irving, TX 75014-0907

A subsidiary of Cimarex Energy Co. • A NYSE Listed Company • "XEC"



February 6, 2006

Oil Conservation Division 1625 N. French Drive Hobbs, NM 88240 Attn: Ms. Donna Mull

Re: Statewide Rule 118 Hydrogen Sulfide Gas Contingency Plan Proposed Quail Ridge 32 State No. 2 Well

Dear Ms. Mull:

In accordance with NMAC 19.15.3.118 C. (1) governing the determination of the hydrogen sulfide concentration in gaseous mixtures in each of its operations, Gruy Petroleum Management Co. does not anticipate that there will be enough H2S from the surface to the Morrow/Atoka formations to meet the OCD's minimum requirements for the submission of a contingency plan for the drilling and completion of the following test(s):

Quail Ridge 32 State No. 2 Sec 32-T19S-R34E 1980' FSL & 1980' FWL Lea Co., NM

If anything further is needed regarding this issue, or if you have any questions, please feel free to contact the undersigned at 972-443-6489.

Yours truly,

Zeno Fairis

Zeno Farris Manager, Operations Administration