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

For drilling and production facilities, submit to appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe

Form C-144

June 1, 2004

office

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 B.C. OPERATING, INC. Telephone: (432) 683-2950 e-mail address: kwidner@usaonline.net P.O. Box 50820, Midland, TX 79710 -Address: Facility or well name: Chambers "35" Federal #1 30-025-34015 U/L or Otr/Otr K Sec 35 T 25S R 33E Latitude Longitude NAD: 1927 🔀 1983 🗖 Surface Owner: Federal State Private Indian Below-grade tank Type: Drilling Production Disposal Volume: ____bbl Type of fluid: ___ Workover X Emergency Construction material: Lined X Unlined Double-walled, with leak detection? Yes If not, explain why not. Liner type: Synthetic X Thickness 14 mil Clay Pit Volume 2,000 bbl Depth to ground water (vertical distance from bottom of pit to seasonal Less than 50 feet (20 points) **Heceive** Hobbs high water elevation of ground water.) 50 feet or more, but less than 100 feet 000 100 feet or more Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic No (0 points) water source, or less than 1000 feet from all other water sources.) Distance to surface water: (horizontal distance to all wetlands, playas, Less than 200 feet (20 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) **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 your are burying in place) onsite offsite I 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 Tyes 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 X, a general permit , or ap (attached) alternative OCD-approved plan . 5/3/06 Date: Printed Name/Title Kenneth C. Dickeson, Authorized Agent Signature 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. Printed Name/Title BARY W. WINK STAFFMER Signature Layer

Chambers "35" Federal #1

B.C. OPERATING, INC.

The reserve pit will be to the North. The Southeast corner of the pit will be approximately 40' North of the well bore. The pit will be 60' x 60' and 3' deep with a capacity of 2,000 bbls.

