

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

OCD-HOBBS

1108

J-06-29

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-0559378
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Seely Oil Company		7. If Unit or CA Agreement, Name and No.
3a. Address 815 W. 10th St. Ft. Worth, TX 76102		8. Lease Name and Well No. <35916> Mescalero Ridge Federal, #1
3b. Phone No. (include area code) (817) 332-1377		9. API Well No. 30-025-38060
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 330' FNL & 1980' FWL At proposed prod. zone same		10. Field and Pool, or Exploratory Mescalero Escarpment Spring
14. Distance in miles and direction from nearest town or post office* 30 miles to Hobbs, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 18-T18S-R34E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'	16. No. of Acres in lease 40	17. Spacing Unit dedicated to this well 40
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A	19. Proposed Depth 9100'	20. BLM/BIA Bond No. on file N/A NM-1816
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4084 GL	22. Approximate date work will start* August 25, 2006	23. Estimated duration 6 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 <i>George R. Smith</i>	Name (Printed/Typed) George R. Smith	Date 7/14/06
Title Agent for Seely Oil Company		
Approved by (Signature) <i>/s/ James Stovall</i>	Name (Printed/Typed) /s/ James Stovall	Date AUG 08 2006
Title ACTING 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 reverse)

Lease Responsibility Statement: Seely Oil Company accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof.

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

KS

KS
George R. Smith, agent

Witness Surface Casing

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38D6D	Pool Code 899945793	Pool Name Mescalero Escarp Bone Spring
Property Code 35916	Property Name MESCALERO RIDGE FEDERAL (E)	Well Number 1
OGRID No. 20497	Operator Name SEELY OIL COMPANY	Elevation 4084'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	18 S	34 E		330	NORTH	1980	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 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>Diagram showing well location with coordinates and distances: LAT - N32°45'14.9" LONG - W103°36'05.5" (NAD-83) Distances: 1980', 4086.0', 4083.8', 4084.9', 4082.6', 330'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>George R. Smith</u> 7/14/06 Signature Date</p> <p>George R. Smith, agent Printed Name</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>JUL 09 2006 Date Surveyed Signature & Seal of Professional Surveyor Professional Surveyor No. 6727 Certificate No. 7977</p> <p>BASIN SURVEYS</p>
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APPLICATION FOR DRILLING
SEELY OIL COMPANY.
Mescalero Ridge Federal E, Well No. 1
330' FNL & 1980' FWL, Sec. 18-T18S-R34E
Lea County, New Mexico
Lease No.: NM-0559378
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Seely Oil Co. submits the following items of pertinent information in accordance with BLM requirements:

- The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- The estimated tops of geologic markers are as follows:

Rustler	1,770'	San Andres	5,145'
Top of Salt	1,880'	Delaware	5,950'
Base of Salt	3,140'	Bone Spring	7,075'
Yates	3,250'	1 st Bone Spring	8,350'
Seven Rivers	3,650'	2 nd Bone Spring	8,960'
Queen	4,380'	T.D.	9,100'
Grayburg	4,820'		

- The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water in the Triassic between 80' - 400'.
Oil: Possible in the Queen below 4,380' and Bone Spring below 8,350'.
Gas: None expected.

- Proposed Casing Program:

HOLE SIZE	CASING SIZE	WEIGHT	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48.0#	H-40	ST&C	400'	Circ. 300 sx "C" to surface.
11"	8 5/8"	24.0#	J-55	ST&C	2,300'	
11"	8 5/8"	28.0#	J-55	ST & C	3,200'	Witness Surface Casing
7 7/8"	5 1/2"	15.5#	J-55	ST&C	6,500'	Circ. 750 sx "C" to surface.
7 7/8"	5 1/2"	17.0#	J-55	ST&C	9,100'	1000 sx "C" TOC 3000'.

- Proposed Control Equipment: See Exhibit "E":

BOP Program:

A 13" 3000 psi wp, double ram BOP, will be installed on the 13 3/8" casing. Casing and BOP will be tested as described in Onshore Order No. 2 before drilling out with 11".

- Mud Program: 1770' JSS

		MUD WEIGHT	VIS.	W/L CONTROL
0' - 400'	Fresh water native mud	8.4 - 9.4 ppg	32 - 34	No W/L control
400' - 3200'	Brine mud:	10.0 ppg	28	No W/L control
3200' - 8300'	Fresh water mud w/gel:	8.4 - 8.8 ppg	28	No W/L control
8300' - 9100'	Fresh water mud + add.	8.7 - 8.9 ppg	30 - 32	W/L control 16 cc+/-

- Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock,.

8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless warranted.

Logging: T.D. to 3200': G/R-Density Neutron, Dual Induction Log
1615' to surface: G/R, Neutron

Coring: None planned unless warranted.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, the proposed mud program will be modified to increase the mud weight. Estimated evacuated BHP = 4004 with a surface pressure = 2002 psi (part. evac. hole) with BH temperature of 151°.
10. H₂S: None expected. No H₂S in previously drilled wells.
11. Anticipated starting date: August 25, 2006.
Anticipated completion of drilling operations: Approx. 3 – 4 wks.

MULTI POINT SURFACE USE AND OPERATIONS PLAN

SEELY OIL CO.

Mescalero Ridge Federal E, Well No. 1
330' FNL & 1980' FWL, Sec. 18-T18S-R34E
Lea County, New Mexico
Lease No.: NM-0559378
(Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a USGS/BLM Topo map showing the location of the proposed well as staked. The well site location is approximately 53 road miles southeast of Artesia, New Mexico or 30 road miles northwest of Hobbs, NM. Traveling east from Artesia there will be approximately 50 miles of paved highway and 1 mile of gravel oilfield road.
- B. Directions: Travel east from Artesia, NM on U.S. Highway 82 for approximately 34 miles; turn southeast on NM Highway 529 for approximately 16.8 miles. Turn north .8 mile east of MM 16 onto an oil field gravel road. Continue north for .5 mile on an oilfield road to a crossroads; then take the east road for .4 mile to the Central E.K. Queen, Well No. 13 well site south of the road. Turn south on the west side of the above well pad. This road will run through the east side of the proposed well site and the proposed 50 foot access road is on the southeast corner of the proposed well site.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The access road will be constructed to a width of 12 feet and will be approximately 50 feet in length. The proposed access road is color coded red on Exhibit "A".
- B. Construction: The proposed access road will be constructed by grading and topping with compacted caliche and will be properly drained.
- C. Turnouts: None required..
- D. Culverts: None required.
- E. Cuts and Fills: None required.
- F. Gates, Cattle guards: None required.
- G. Off Lease R/W: None required.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two-mile radius are shown on Exhibit "C".

SEELY OIL CO.

Mescalero Ridge Federal E, Well No. 1

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4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES;

- A. There are no oil production facilities on the lease at this time.
- B. If the well proves to be commercial, the necessary production facilities, gas production-process equipment and tank battery will be installed on the drilling pad..

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with fresh water that will be obtained from private or commercial sources and will be transported over the existing access roads or by surface fast line.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche for surfacing the proposed access road and well site pad will be obtained on location, if available, or from an approved Federal pit in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 18-T18S-R34E. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock and wildlife from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering and will be removed for deposit in an approved sanitary landfill within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

SEELY OIL CO.

Mescalero Ridge Federal E, Well No. 1

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9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components.
- B. Mat Size: 175' X 250', plus 100' X 100' reserve pits. The pits will be on the north.
- C. Cut & Fill: There will be a one foot cut in the northwest will fill to the southeast
- D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not required for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled as soon as they are dry enough to work after abandonment.

11. OTHER INFORMATION:

- A. Topography: The proposed well site and access road is located on the topside of the Mescalero Ridge (Caprock). The location has an easterly slope of .37% from an elevation of 4084'.
- B. Soil: The topsoil at the well site is a medium brown loam with a scatter of caliche gravel on the surface and underlain with caliche and is of the Kimbrough-Lea Soils Complex.
- C. Flora and Fauna: The vegetation cover is a poor to fair grass cover of three-awn, dropseed, fluff grass, and other miscellaneous native grasses along with plants of mesquite, yucca, sage, cacti broomweed and miscellaneous weeds and wildflowers. The wildlife consists of antelope, rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in area.
- E. Residences and Other Structures: None in the area except oil field equipment.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed well site and access road are on Federal surface.
- H. There is no evidence of archaeological, historical or cultural sites on the well site or access road. Archaeological Survey Consultants, P. O. Box D, Roswell, NM 88202 are conducting an archaeological survey, and their report will be submitted to the appropriate government agencies.

SEELY OIL CO.

Mescalero Ridge Federal E, Well No. 1

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11. OTHER INFORMATION: cont.....

12. OPERATOR'S REPRESENTATIVE:

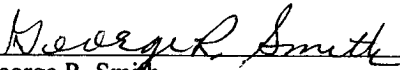
- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

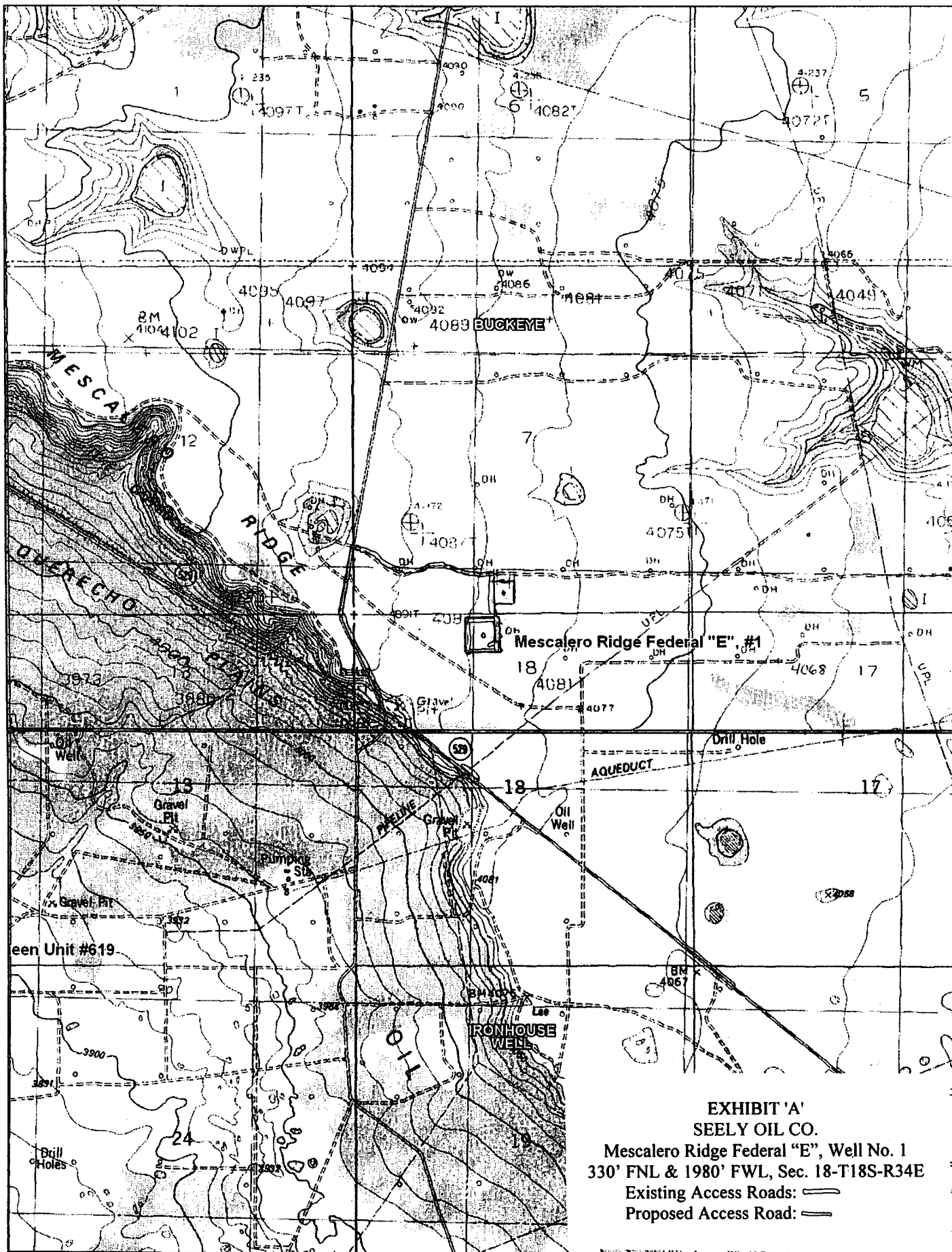
David Henderson
SEELY OIL CO.
815 W. 10th St.
Ft. Worth, TX 76102
Office Phone: (817) 332-1377

13. CERTIFICATION:

I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the 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 Seely Oil Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

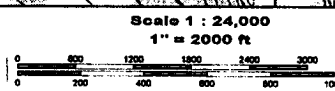
July 14, 2006


George R. Smith
Agent for: Seely Oil Co.



DELORME

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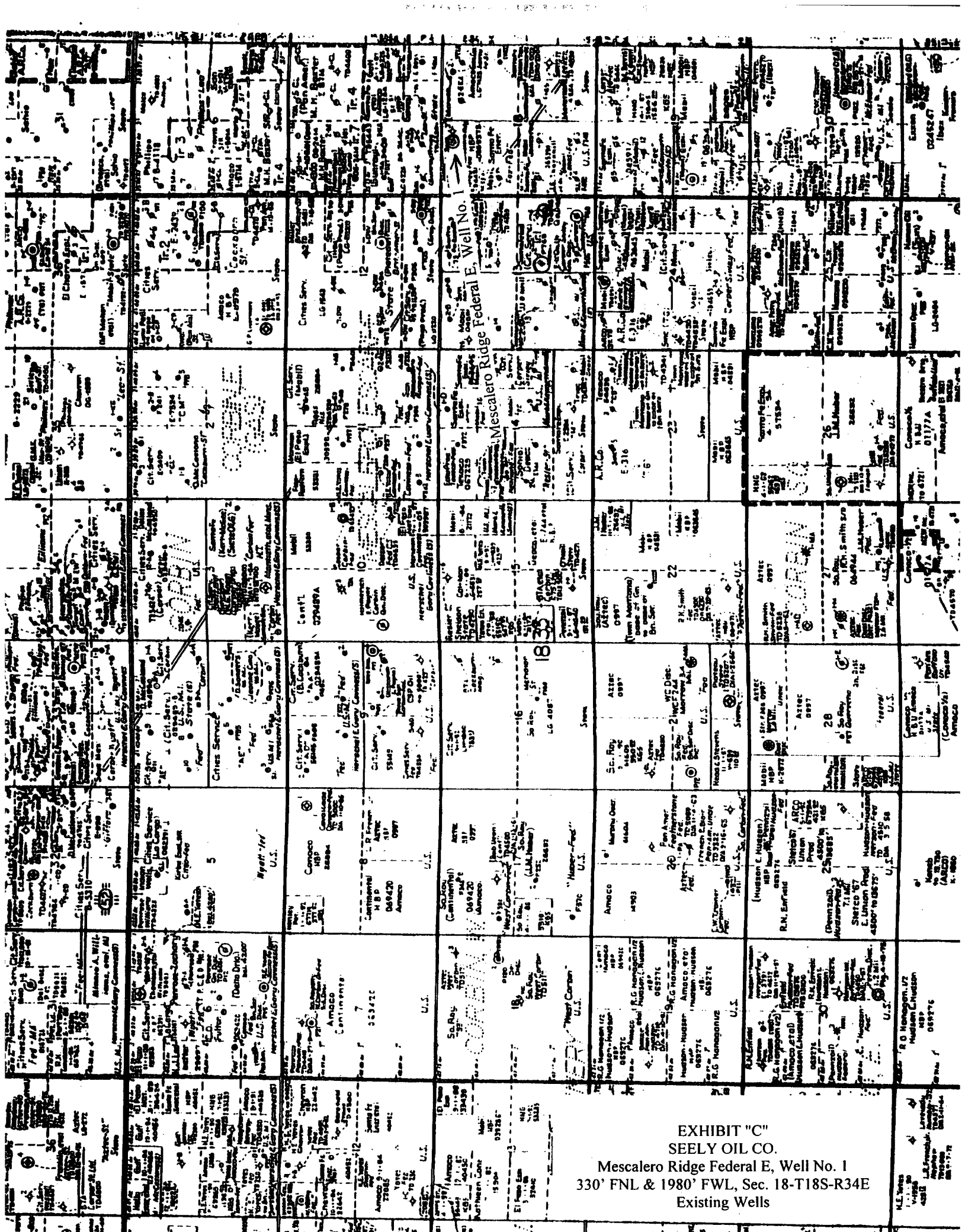


EXHIBIT "C"
SEELY OIL CO.

Mescalero Ridge Federal E, Well No. 1
330' FNL & 1980' FWL, Sec. 18-T18S-R34E
Existing Wells

New Name: SILVER OAK DRILLING

RIG PLAT
L & M Rig #1
L & M Rig #2
or
L & M Rig #3

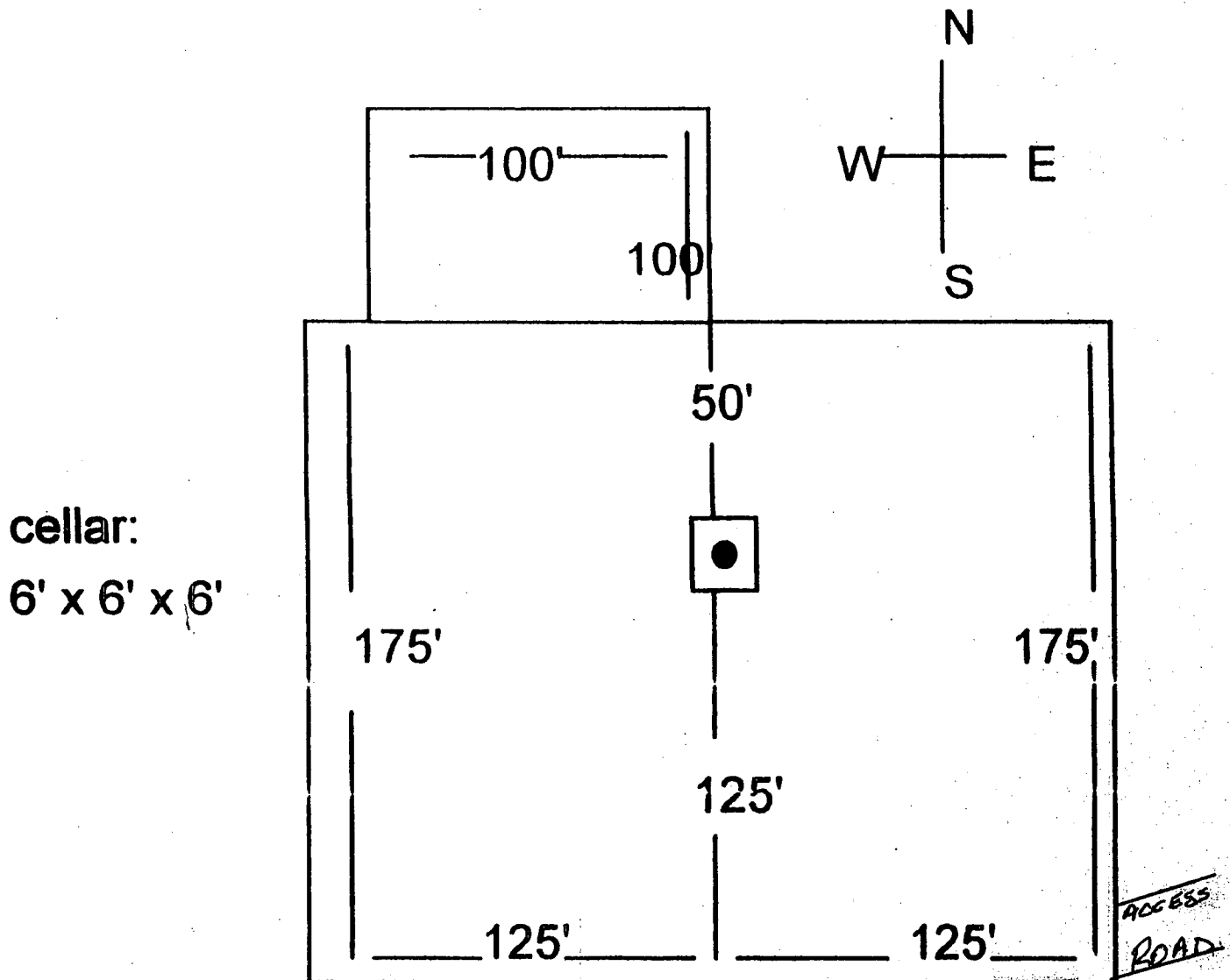


EXHIBIT "D"
SEELY OIL CO.
Mescalero Ridge Federal E, Well No. 1
Pad & Pit Layout

RIG #3, 1, 1

BLOWOUT PREVENTOR ARRANGEMENT

13"-10" SHAFFER TYPE "E", 3000 psi WP

80 GALLON, 4 STATION KOOMEY ACCUMULATOR

3000 psi WP CHOKE MANIFOLD

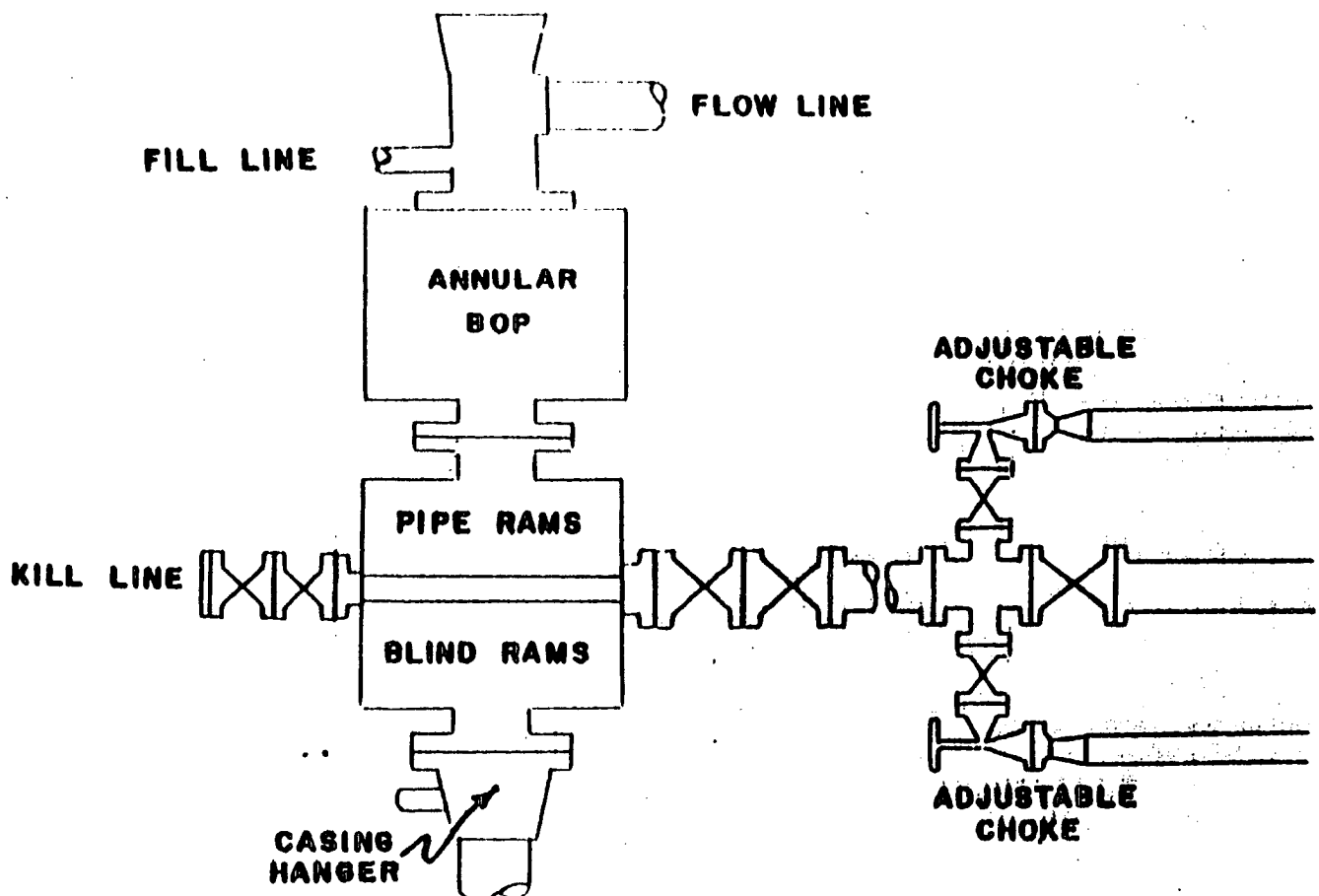


EXHIBIT "E"
SEELY OIL CO.
Mescalero Ridge Federal E, Well No. 1
BOP Specifications

CONDITIONS OF APPROVAL - DRILLING

Well Name & No. 1 – MESCALERO RIDGE FEDERAL
Operator's Name: SEELY OIL COMPANY
Location: 330' FNL & 1980' FWL – SEC 18
Lease: NM-0559378

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 234-5909 or (505) 361-2822 (After hours) - for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13-3/8 inch 8-5/8 inch 5-1/2 inch

C. BOP tests

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. CASING:

1. The 13-3/8 inch surface casing shall be set at 400 feet, and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string. **NOTE: Operator will use the Lea County Alternative – Drilling (attached).**

2. The minimum required fill of cement behind the 8-5/8 inch salt protection casing is **circulate cement to the surface.**

3. The minimum required fill of cement behind the 5-1/2 inch production casing is **cement shall extend upward a minimum of 500 feet above the uppermost hydrocarbon bearing interval.**

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13-3/8 inch casing.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) is **3000** psi.

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.

- The tests shall be done by an independent service company.

- The results of the test shall be reported to the appropriate BLM office.

- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.

- Testing must be done in a safe workman-like manner. Hard line connections shall be required.

ALTERNATIVE CONDITIONS OF APPROVAL - DRILLING

Drilling Fluids, Casing and Cementing Requirements for Most of Lea County:

Casing and Cementing

Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. In areas where the salt section (Salado) is present, surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.

As an alternative, surface casing may be set through the Santa Rosa Formation or other potable water bearing zones and circulate cement to surface. For wells requiring an intermediate casing string, such string shall be cemented to the ground surface. In the case where intermediate casing is not required the operator shall case and cement the production hole to the ground surface.

While drilling from the surface casing to the Rustler formation it is recommended that operators periodically sweep the hole with viscous low water loss pills to help build a filter cake across useable water zones in the redbeds.

Drilling Fluid

Fresh water or fresh water spud mud shall be used to drill to surface casing depth. If surface casing is set at a lesser depth than the top of the Rustler formation, fresh water spud mud may be used to drill down to the first salt in the Rustler Formation. after which brine or fresh water may be used.

Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into the redbeds.

Two to five percent diesel or crude oil may be used in the redbed section in order to control heaving shales and mudstones.

Caustics and Lime shall not be used in the red beds but may be added when the Rustler formation is reached. However, sodium carbonate maybe used for alkalinity or ph control while drilling the redbeds above the Rustler formation.

Additionally, questions of whether an additive may be used should be referred to the Roswell Field office.

*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

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

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: Seely Oil Company Telephone: (817) 332-1377 e-mail address: _____

Address: 815 W. 10th St. Ft. Worth, TX 76102

Facility or well name: Mescalero Ridge Federal Well 1 API #: 30-023-38060 U/I. or Qtr/Qtr NENW _____ Sec 18 _____ T 18S _____ R 34E _____

County: Lea Latitude N32°45'14.9" Longitude W103°36'05.5" NAD: 1927 1983 X Surface Owner Federal X State ☐ Private -- Indian ☐

Pit

Type: Drilling X Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined X unlined ☐

Liner type: Synthetic X Thickness 12 mil Clay ☐ Volume

6000 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: July 14, 2006

Printed Name/Title George R. Smith, agent

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: AUG 11 2006

Printed Name/Title

PETROLEUM ENGINEER

Signature

[Signature]