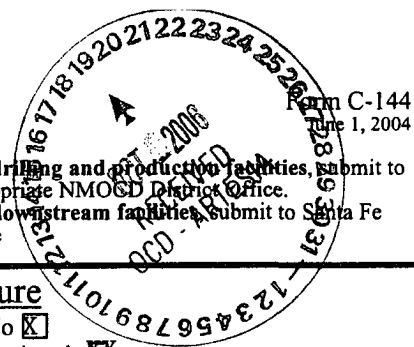


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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: <u>Morexco, Inc.</u> Telephone: <u>505-627-1290</u> e-mail address: <u>morexco@plateautel.net</u>		
Address: <u>P. O. Box 1591 Roswell, NM 88202-1591</u>		
Facility or well name: <u>Pardue Farms "29" #1</u> API #: <u>30-015-33537</u> U/L or Qtr/Qtr <u>B</u> Sec <u>28</u> T <u>24S</u> R <u>28E</u>		
County: <u>Eddy</u> Latitude <u>N/A</u> Longitude <u>N/A</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
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 type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>1400</u> 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 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) XXX (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 No	(20 points) (0 points) XXX
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) XXX
Ranking Score (Total Points)		10

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: <u>Attach soil sample results, located in Unit F Sec. 29, T24S, R28E operated by OGX Resources. Morexco, Inc. plans to trench bury the contents of the pit per OCD rule 50 guidelines. Log of Boring attached indicating no water encountered at a depth of 70'. OGX Resource's plan was approved by OCD on 10/05/2006 per Mike Bratcher.</u>

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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date: <u>10-18-2006</u>	
Printed Name/Title: <u>Donald G. Becker, Jr. / Pres.</u>	Signature: <u>Donald G. Becker, Jr.</u>
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: <u>Jim W. Green</u>	
Printed Name/Title: <u>District II Supervisor</u>	Signature: _____ Date: <u>10/19/06</u>



**Safety & Environmental
Solutions, Inc.**

LOG OF EXPLORATORY BORING TB-1

(Page 1 of 1)

OGX Resources, LLC
EKG Fee #1
1980 FNL, 1980 FWL
Unit Letter "F", Section 29, T24S, R28E
Eddy County, New Mexico

Date, Time Started : 08/16/08, 0945
Date, Time Completed : 08/16/08, 1630
Hole Diameter : 8 1/4 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : Foremost-Mobile B-57

Drilled By : Eco/Enviro Drilling
Sampling Method : Cuttings
Logged By : David Boyer, P.G.
Company Rep. :
Survey By :

Depth in Feet	Sample Method	USCS	GRAPHIC	Water Levels	Sample Type:	Well: TB-1 Elev.:
				<input checked="" type="checkbox"/> Hydrocarbon Product <input checked="" type="checkbox"/> Measured Water Level	SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery	
DESCRIPTION						
0	CT	ML/SM		Log from cuttings. 0-5 ft. SANDY SILT/ SILTY SAND, light brown, slightly damp, no H/C stain or odor		
5	CT	SP		5-10 ft. SAND, poorly graded (uniform), light brown, very fine to fine grained, dry		
10	CT		10-15 ft. SAND, poorly graded (uniform), light brown, very fine to fine grained, dry, occasional small gravel 1/4-3/8 in.			
15	CT		15-20 ft. SAND, poorly graded (uniform), light brown, very fine to fine grained, dry			
20	CT		20-25 ft. SAND, poorly graded (uniform), light brown, very fine to fine grained, frequent small gravels to 3/4 in. "Gravels" are clayey, hard to soft			
25	CT	CL		25-28 ft. SANDY CLAY, dry		
30	CT	SP		28-30 ft. SAND, poorly graded (uniform), light brown, fine grained, slightly damp		
35	CT		30-35 ft. SAND, poorly graded (uniform), light reddish-brown, slightly damp, occasional clay "gravel".			
40	CT	SC/SM		35-38 ft. SAND, poorly graded (uniform),		
45	CT	CL		38-41 ft. CLAYEY, SILTY SAND, brown, slightly moist		
50	CT		41-44 ft. CLAY, reddish-brown, hard, dry			
55	CT		44-45 ft. Very hard drilling, loud chatter, pulled rods, dry, hard clay on tip of pilot bit			
60	CT		45-50 ft. CLAY, fat clay, dry, brown, slightly soft to hard			
65	CT		50-55 ft. CLAY, as above, hard drilling			
70	CT		55-60 ft. CLAY, brown, dry			
	CT			60-65 ft. CLAY, brown, dry		
	CT			65-70 ft. CLAY, brown, very dry		
	CT			Pulled rods and pilot bit. Dry at 70 ft. Pulled 10 ft. augers and inserted depth to water probe. Hole caved back 4 ft. Dry at 66 ft.		

Notes:

On site with drillers at 0945 to advance soil boring to determine depth to water and to sample water quality if encountered. Located borehole at the southwest corner of the location at the edge of the pad, approximately 27 ft. southwest from fence at small vertical separator and 66 ft. west of tank battery fence.

No water was encountered during drilling of this borehole.
No hydrocarbon staining or odor was encountered during borehole drilling.
At completion of the borehole, pulled augers, backfilled with 24 bags of Holeplug bentonite, 3/8 in. chips, well hydrated.

\\sccentral\se\SES Central\Company Files\OGX Resources, LLC\OGX-06-001 EKG Fee #1\TB-1 bor