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
June 1, 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: Cimarex Energy Telephone: _____ e-mail address: _____
Address: _____
Facility or well name: Laguna Deep Unit #9 API #: 30-025-37686 U/L or Qtr/Qtr J Sec 35 T 19S R 33E
County: Lea Co. Latitude N 32° 36' 54.5 Longitude 103°37'55.8" NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☐ State ☐ Private ☑ Indian ☐

Pit	Below-grade tank	
Type: Drilling ☑ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☑ Thickness 12 mil Clay ☐ Pit Volume _____ bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not.	50
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) (0 points) 10
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) 0
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) 0
	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 your 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:
See Attached work plan

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: 10/25/2006
Printed Name/Title Dorsey Rogers Reg Supv. 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.

Approval:
Printed Name/Title L Johnson · Envir Engr Signature _____ Date: 10.26.06

OCT 2006 Received Hobbs OCD

P.O. Box 310
Hobbs, NM 88241-0310

Off 505.392.8584
Cell 505.631.2442
Fax 505.392.3085

New Mexic Environmental Services

Hobbs, New Mexico

Reserve Pit Remediation

Surface Pit Closure Plan

Pit Parameters

Well site: Laguna Deep Unit #9

Legal Description: 1980' FSL & 1980' FEL

Section 35-19S-33E

Lea County, New Mexico

The reserve pit insitu on this leasehold is being permitted to close as per New Mexico OCD "Pit and Below Grad Tank Guidelines" dates November 1, 2004.

This pit was excavated and formed to the dimensions roughly 100 feet X 100 feet x 6 feet deep. A 12 mil membrane liner and pad was used to prevent leakage to the surface soils. A visual examination of the membrane liner indicates that the liner has maintained its integrity.

The well bore penetrated a salt/anhydrite section causing the drilling fluid to saturate to a concentration weight of >9.5 ppg.

After drilling and completion phase of this project, the water phase of the pit contents were pumped and hauled to an approved water injection facility. The remaining solids were mechanically pulled to the corners of the containment area to allow them to dry and leach out as much liquid phase as possible. Again these liquids we hauled to an approved water injection facility. It is estimated that the volume of solids remaining are to +/- 1480 yards. The burial cell is to be excavated and lined with a minimum 20 mil membrane that complies with ASTM Standard(s): D 5747, D 5199, D 5994, and D 4833. The cuttings will be loaded as to allow for >36" freeboard to ground level. After the cuttings are

loaded, the 20 mil liner will be folded over the top and sewn on. A 20 mil minimum thickness liner meeting the minimum requirements as outlined in ASTM Standard Methods: D-5747, D-5199, D-5994, D4833; will be used to cap and cover to an extended area that exceeds three feet in all directions from the edge of the burial cell. This cap will be constructed as to slope and allow for water runoff from burial cell.
A minimum of 36" of top soil will be used to cover the burial cell. This soil must be capable of supporting native plant growth. A seed mixture will be used as to conform to local BLM as well as New Mexico OCD requirements. The seeding and propagation of required native plants will be monitored as to insure that growth is re-established.

After the drilled solids are buried, the natural contour of the surrounding solids will be mechanically shaped as prevent erosion of the well site until vegetation is established. The caliches and soils will be pulled from the well site pad to allow for a 200 X 300 pad dimension for production use. The remaining materials will be used to maintain lease road and other drill sites.

TRACEANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
155 McCutcheon, Suite H El Paso, Texas 79932 888•588•3443 915•585•3443 FAX 915•585•4944
E-Mail: lab@traceanalysis.com

Analytical and Quality Control Report

Dorsey Rogers
Cimarex
207 S Mesa
Carlsbad, NM, 88220

Report Date: November 15, 2006

Work Order: 6111514

Project Location: Lea Co.NM
Project Name: Laguna Deep #9
Project Number: Laguna Deep #9

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
108890	Sample #1 N.E. Corner	soil	2006-11-14	08:00	2006-11-15
108891	#2 NW Corner	soil	2006-11-14	08:30	2006-11-15
108892	#3 Center	soil	2006-11-14	09:00	2006-11-15
108893	#4 SW Corner	soil	2006-11-14	09:30	2006-11-15
108894	#5 SE Corner	soil	2006-11-14	10:00	2006-11-15
108895	#6 Background	soil	2006-11-14	10:30	2006-11-15

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank.

11.16.06 Verbal OK to Close
OCD

Analytical Report

Sample: 108890 - Sample #1 N.E. Corner

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	31937	Date Analyzed:	2006-11-15	Analyzed By:	SM
Prep Batch:	27812	Sample Preparation:	2006-11-15	Prepared By:	SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		175	mg/Kg	25	2.00

Sample: 108891 - #2 NW Corner

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	31937	Date Analyzed:	2006-11-15	Analyzed By:	SM
Prep Batch:	27812	Sample Preparation:	2006-11-15	Prepared By:	SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		138	mg/Kg	25	2.00

Sample: 108892 - #3 Center

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	31937	Date Analyzed:	2006-11-15	Analyzed By:	SM
Prep Batch:	27812	Sample Preparation:	2006-11-15	Prepared By:	SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		129	mg/Kg	25	2.00

Sample: 108893 - #4 SW Corner

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	31937	Date Analyzed:	2006-11-15	Analyzed By:	SM
Prep Batch:	27812	Sample Preparation:	2006-11-15	Prepared By:	SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		120	mg/Kg	25	2.00

Sample: 108894 - #5 SE Corner

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	31937	Date Analyzed:	2006-11-15	Analyzed By:	SM
Prep Batch:	27812	Sample Preparation:	2006-11-15	Prepared By:	SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		148	mg/Kg	25	2.00

Sample: 108895 - #6 Background

Analysis: Chloride (Titration) Analytical Method: SM 4500-Cl B Prep Method: N/A
QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM
Prep Batch: 27812 Sample Preparation: 2006-11-15 Prepared By: SM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<2.00	mg/Kg	1	2.00

Method Blank (1) QC Batch: 31937

QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM
Prep Batch: 27812 QC Preparation: 2006-11-15 Prepared By: SM

Parameter	Flag	MDL Result	Units	RL
Chloride		<0.500	mg/Kg	2

Laboratory Control Spike (LCS-1)

QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM
Prep Batch: 27812 QC Preparation: 2006-11-15 Prepared By: SM

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	92.3	mg/Kg	1	100	<0.500	92	85 - 115

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	LCSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	98.6	mg/Kg	1	100	<0.500	99	85 - 115	7	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) Spiked Sample: 108895

QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM
Prep Batch: 27812 QC Preparation: 2006-11-15 Prepared By: SM

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	89.6	mg/Kg	1	100	<0.500	90	70 - 130

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	93.1	mg/Kg	1	100	<0.500	93	70 - 130	4	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1)

QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	107	107	85 - 115	2006-11-15

Standard (CCV-1)

QC Batch: 31937 Date Analyzed: 2006-11-15 Analyzed By: SM

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	92.7	93	85 - 115	2006-11-15

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LAB Order ID # 6111514 Page ____ of ____

TraceAnalysis, Inc.

email: lab@traceanalysis.com

6701 Aberdeen Avenue, Suite 9, Lubbock, Texas 79424, Tel (806) 794-1296, Fax (806) 794-1298, 1 (800) 378-1296
5002 Basin Street, Suite A1, Midland, Texas 79703, Tel (432) 689-6301, Fax (432) 689-6313
200 East Sunset Rd., Suite E, El Paso, Texas 79922, Tel (915) 585-3443, Fax (915) 585-4944, 1 (888) 588-3443
8015 Harris Pkwy., Suite 110, Ft. Worth, Texas 76132, Tel (817) 201-5260

Company Name: New Mexico Environmental Serv. Phone #: 505-441-0403

Address: (Street, City, Zip) P.O. Box 810 Hobbs N.M. 88241 Fax #: 505-392-3085

Contact Person: Chris Burton E-mail: alexsunrogers@aol.com

Invoice to: (If different from above) Conoco Energy

Project #: Project Name:

Project Location (including state): Laguna Deep #9 Lea Co. N.M. Sampler Signature: Chris Burton

ANALYSIS REQUEST (Circle or Specify Method No.)

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX: WATER	SOIL	AIR	SLUDGE	PRESERVATIVE METHOD: HCl	HNO_3	H_2SO_4	NaOH	ICE	NONE	SAMPLING: DATE	TIME
108890	Sample #1 N.E. Corner	1	4oz		X							X		11/14	8:00 am
91	#2 N.W. Corner	1			X							X			8:30
92	#3 Center	1			X							X			9:00
93	#4 S.W. Corner	1			X							X			9:30
94	#5 S.E. Corner	1			X							X			10:00
95	#6 Background	1			X							X		↓	10:30

	MTBE 8021B / 602 / 8260B / 624	BTEX 8021B / 602 / 8260B / 624	TPH 418.1 / TX1005 / TX1005 Ext(C35)	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Volatiles	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol. 8260B / 624	GC/MS Semi. Vol. 8270C / 625	PCB's 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content							Turn Around Time if different from Standard	Hold
108890																		X						
91																		X						
92																		X						
93																		X						
94																		X						
95																		X						

Relinquished by: Date: Time: Received by: Date: Time:

Chris Burton 11/15/06 7:00am Teresa Reed 11/15/06 7:00 am

Relinquished by: Date: Time: Received by: Date: Time:

Teresa Reed 11/15/06 10:00

Relinquished by: Date: Time: Received at Laboratory by: Date: Time:

Teresa Burley 11-15-06 10:00

LAB USE ONLY

Intact Y N

Headspace Y N

Temp. 4°C

Log-In-Review

REMARKS:

- ☐ Dry Weight Basis Required
- ☐ TRRP Report Required
- ☐ Check If Special Reporting Limits Are Needed

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C. O. C.

Report Date: November 15, 2006 Work Order: 6111514 Page Number: 5 of 5
Laguna Deep #9 Laguna Deep #9 Lea Co.NM