District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztac, 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 Jame 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office. For downstream facilities, submit to Senta Fo office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plant"? Yes No Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank Energy (505) 628-3442 dorsungers @ Ad. Com Rd. Carlsbood n.m. 88240 Address: 7101 Opcols Facility or well name: Dew Shaff 10 fed con last #: 30-005-38065 UL or girler P _T<u>_205_r_23e</u> See 10 Longitude 10 3 0 38 1 36 4 NAD: 1927 [] 1963 [] Letitode 32° 34'53.0" Lea co Surface Owner: Federal State Private Indian Below-stude in Type: Drilling Production Disposal Volume: _____bbl Type of fluid: Workover Emergency traction material: Double-walled, with leak detection? Yes If not, explain why not. Lined [] Unlined [] Liner type: Synthetic Thickness 12 mil Clay Pit Volume bbl (20 points) Loss then 50 feet *300'* Depth to ground water (vertical distance from bottom of pit to seas (10 points) 50 fact or more, but less then 100 fact high water elevation of ground water.) AND feet or more (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private dom (No.) (0 points) water source, or less than 1000 feet from all other water sources.) Less than 200 fact (20 points) Distance to surface water: (horizontal distance to all wetlands, playes, 200 fast or more, but loss than 1000 fast (10 points) irrigation canals, ditches, and percential and ephemoral watercourses.) 1000 feet or more (0 points) Ranking Score (Total Points) If this is a pit clearre: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tenks. (2) Indicate disposal location: (check the ensite box if your are burying in place) onsite 🔲 officite 🔲 If officite, name of facility_ _. (3) Attach a general description of remodial action taken inch mediation start date and end date. (4) Groundwater encountered: No 🔲 Yes 🔲 If yes, show depth below ground surface_ ft, and attack sample results. (5) Attach soil sample results and a diagram of sample locations and exceptations. 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 al has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) ab 5515050181 11 dray otherwise endanger public health or the environ nt. Nor does it relieve the operator of its responsibility for o regulations. Approval: Printed Name/Title L JOHNSON ENUITED ENGR Date 2.5:07

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

505.392.8584 New Mexic Environmental Services

Hobbs. New Mexico Cell 505.631.2442 Fax 505.392.3085

Hobbs, New Mexico

Reserve Pit Remediation

SURFACE PIT CLOSURE PLAN

PIT PARAMETERS

COMPANY: Cimerex Energy.

WELL SITE: New Sheriff 10 Fed. Com. #1 LEGAL DESCRIPTION: Sec. 10, T20s, R33e LAT:N32*34'53.0"LONG:W103*38'36.4"

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

This pit was excavated and formed to the dimensions roughly 120'x 120'x 6' 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 had maintained its integrity.

After the drilling and completion phase of this project, the water phase of the pit contents were pumped and hauled to an approved water injection facility. It is estimated that the volume of solids remaining are to +/- 1500 yards. The burial cell is to be excavated and lined with a 20 mil membrane that complies with ASTM Standards: D-5747, D-5199, D-5994, and D-4833. The cutting will be loaded as to allow for >36" freeboard to ground level. After the cutting are loaded the 12 mil liner will be folded over the top, and a 20 mil minimum thickness liner meeting the minimum requirements as outlined in ASTM Standard Methods: D-5747, D-5199, D-5994, D-4833; 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.

A minimum of 36" of top soil will be used to cover the burial cell. This soil must be capable of supporting plant growth. A seed mixture will be used as to conform to local BLM and OCD requirements.

After the drilling solids are buried, the natural contour of the surrounding soils will be mechanically shaped as to prevent erosion of the well site until vegetation is established.