

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

Form C- 144
 June 1, 2004

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

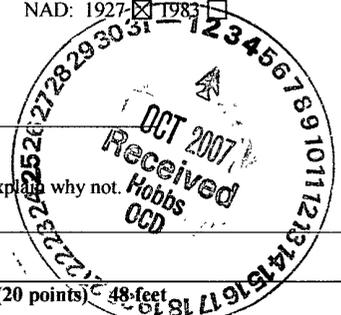
Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Legacy Reserves Telephone: (432) 682-2516 e-mail address: Kwilliams@legacyp.com
 Address: P.O. Box 10848, Midland, Texas 79701
 Facility or well name: Langlic Mattix Penrose Sand Unit # 601 #: 30-025-38273 U/L or Qtr/Qtr K Sec 27 T 22S R 37E
 County: Lea Latitude N 32 deg 21.560' Longitude W 103 deg 09.054' NAD: 1927- 1983-

Surface Owner: Federal State Private Indian

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/>	Volume: _____ bbl Type of fluid: _____
Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/>	Construction material: _____
Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20</u> mil Clay <input type="checkbox"/>	Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
Pit Volume <u>3500</u> bbl	

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points) <u>48</u>
	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)		20



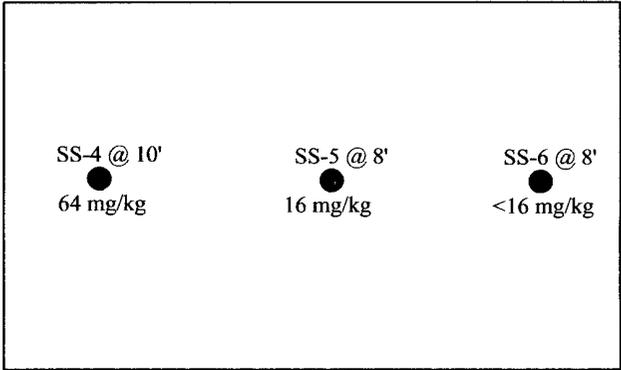
If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility Sundance (3) Attach a general description of remedial 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: All fluids were removed from the pit. The pit liner and all impacted material was hauled to an NMOCD approved disposal facility.
Samples were collected below the liner and results are submitted with this final C144 form.
The excavation will be backfilled with clean soil, graded to surface and re-seeded.

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: September 28, 2007
 Printed Name/Title: Cindy Crain/Geologist - As Agent for Legacy Reserves Signature: Cindy Crain
 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: _____ Signature: [Signature] Date: 10-3-07
ENVIRONMENTAL ENGINEER



N32.35966°
W103.15136°



Wellhead

Sample Location GPS Coordinates		
SS-4	N32.35989°	W103.15152°
SS-5	N32.35988°	W103.15146°
SS-6	N32.35987°	W103.15137°

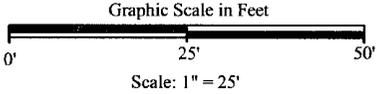


FIGURE # 1

LEA COUNTY, NEW MEXICO

Legacy Reserves
Langlie Mattix Penrose Sand Unit
#601 Pit
U.L.K, Sec.27, T22S, R37E

Site Drawing

Ocotillo
ENVIRONMENTAL

LEGEND

SS-4 @ 10'
● Soil sample location, with depth (feet bgs) and
64 mg/kg chloride concentration (mg/kg).



DATE: 10-02-07
NAME: CHH
PROJECT NO.: 0907-038B



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <u>Ocotillo Environmental LLC</u>		BILL TO		ANALYSIS REQUEST																																																																																																																																	
Project Manager: <u>Cindy Crain</u>		P.O. #:																																																																																																																																			
Address: <u>2125 French Dr.</u>		Company: <u>Ocotillo</u>																																																																																																																																			
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Attn:																																																																																																																																			
Phone #: <u>505-441-7244</u> Fax #: <u>432-272-0304</u>		Address:																																																																																																																																			
Project #: <u>0907-007H</u> Project Owner: <u>BP</u>		City:																																																																																																																																			
Project Name: <u>Sunflower 3 # 1</u>		State: Zip:																																																																																																																																			
Project Location: <u>Lea County NM</u>		Phone #:																																																																																																																																			
Sampler Name: <u>Steve Cannon</u>		Fax #:																																																																																																																																			
<table border="1"> <thead> <tr> <th rowspan="2">Lab I.D.</th> <th rowspan="2">Sample I.D.</th> <th rowspan="2">(G)RAB OR (C)OMP.</th> <th rowspan="2"># CONTAINERS</th> <th colspan="6">MATRIX</th> <th colspan="2">PRESERV</th> <th colspan="2">SAMPLING</th> </tr> <tr> <th>GROUNDWATER</th> <th>WASTEWATER</th> <th>SOIL</th> <th>OIL</th> <th>SLUDGE</th> <th>OTHER :</th> <th>ACID/BASE:</th> <th>ICE / COOL</th> <th>OTHER :</th> <th>DATE</th> <th>TIME</th> </tr> </thead> <tbody> <tr> <td><u>H13406-</u></td> <td></td> </tr> <tr> <td><u>1</u></td> <td><u>SS-1 @ 7'</u></td> <td><u>G</u></td> <td><u>1</u></td> <td></td> <td></td> <td><u>✓</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><u>9-28-07</u></td> <td><u>4:45</u></td> <td><u>✓</u></td> <td></td> </tr> <tr> <td><u>2</u></td> <td><u>SS-2 @ 7'</u></td> <td><u>G</u></td> <td><u>1</u></td> <td></td> <td></td> <td><u>✓</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><u>"</u></td> <td><u>4:50</u></td> <td><u>✓</u></td> <td></td> </tr> <tr> <td><u>3</u></td> <td><u>SS-3 @ 7'</u></td> <td><u>G</u></td> <td><u>1</u></td> <td></td> <td></td> <td><u>✓</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><u>"</u></td> <td><u>5:04</u></td> <td><u>✓</u></td> <td></td> </tr> <tr> <td><u>4</u></td> <td><u>SS-4 @ 7'</u></td> <td><u>G</u></td> <td><u>1</u></td> <td></td> <td></td> <td><u>✓</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><u>"</u></td> <td><u>5:01</u></td> <td><u>✓</u></td> <td></td> </tr> <tr> <td><u>5</u></td> <td><u>SS-5 @ 7'</u></td> <td><u>G</u></td> <td><u>1</u></td> <td></td> <td></td> <td><u>✓</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><u>"</u></td> <td><u>4:54</u></td> <td><u>✓</u></td> <td></td> </tr> </tbody> </table>													Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX						PRESERV		SAMPLING		GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	ACID/BASE:	ICE / COOL	OTHER :	DATE	TIME	<u>H13406-</u>																<u>1</u>	<u>SS-1 @ 7'</u>	<u>G</u>	<u>1</u>			<u>✓</u>						<u>9-28-07</u>	<u>4:45</u>	<u>✓</u>		<u>2</u>	<u>SS-2 @ 7'</u>	<u>G</u>	<u>1</u>			<u>✓</u>						<u>"</u>	<u>4:50</u>	<u>✓</u>		<u>3</u>	<u>SS-3 @ 7'</u>	<u>G</u>	<u>1</u>			<u>✓</u>						<u>"</u>	<u>5:04</u>	<u>✓</u>		<u>4</u>	<u>SS-4 @ 7'</u>	<u>G</u>	<u>1</u>			<u>✓</u>						<u>"</u>	<u>5:01</u>	<u>✓</u>		<u>5</u>	<u>SS-5 @ 7'</u>	<u>G</u>	<u>1</u>			<u>✓</u>						<u>"</u>	<u>4:54</u>	<u>✓</u>	
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Chloride

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims including those for negligence and any other cause whatsoever shall be deemed waived (unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <u>[Signature]</u>	Date: <u>10-1-07</u>	Received By: <u>[Signature]</u>	Phone Result: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> NO : Add'l Phone #:
Time: <u>4:01</u>		Date: <u>10/1/07</u>	Fax Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No : Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:
			<u>FAX # 432-272-0304</u>
			<u>ASAP please</u>
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No	CHECKED BY: (Initials) <u>cah</u>	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476