

**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: CANO PETRO OF NM. Telephone: 817-698-0900 e-mail address: \_\_\_\_\_  
Address: 801 CHERRY STREET, Unit #25 Suite 3200, FORT WORTH, TX. 76102  
Facility or well name: CSAU #560 API #: 30-05-28012 U/L or Qtr/Qtr SE Sec 11 T 8S R 30E  
County: CHAVES Latitude \_\_\_\_\_ Longitude \_\_\_\_\_  
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

**Pit**  
Type: Drilling ☒ Production ☐ Disposal ☐  
Workover ☐ Emergency ☐  
Lined ☒ Unlined ☐  
Liner type: Synthetic ☒ Thickness 12 mil Clay ☐  
Pit Volume 2000 bbl

**Below-grade tank**  
Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_  
Construction material: \_\_\_\_\_  
Double-walled, with leak detection? Yes ☐ If not, explain why not \_\_\_\_\_  
**RECEIVED**  
**HOBBS OCD**  
**APR 25 2008**

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)**

**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: CANO PETRO PROPOSES TO CLOSE THE DRILLING PIT AS FOLLOWS: REMOVE ALL FLUIDS FROM PIT. A DEEP TRENCH WILL BE CONSTRUCTED NEXT TO EXISTING RESERVE PIT AND LINED WITH 12 MIL. LINER. THE CONTENTS WILL BE ENCAPSULATED AND LINER WILL BE FOLDED OVER MUD AND CUTTINGS, THEN COVER LINER WITH 20 MIL LINER AS PER N.M.O.C.D., PIT CLOSURE GUIDELINES. WILL THEN COVER WITH 3' OF NATIVE SOIL AND CONTOUR PIT TO PREVENT EROSION AND PONDING OF RAINWATER. WILL NOTIFY NMOCD 48hrs. prior to beginning work.

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: 4/23/08  
Printed Name/Title: GREG LEARY / AGENT Signature: Greg Leary  
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.

**CONDITIONS REQ'D FOR APPROVAL:**

Ap  
Pri  
Samples (for chloride) are to be obtained from pit floor area in each quadrant and analysis submitted to OCD prior to back-filling.

Johnson  
Signature: \_\_\_\_\_ Date: 4.28.08  
ENVIRONMENTAL ENGINEER