

May 20, 2008

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MAY 21 2008

HOBBS OCD

NMOCD
ATTN: Chris Williams
1625 N. French Dr.
Hobbs, NM 88240

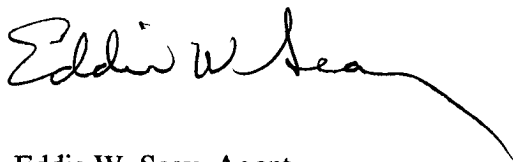
RE: Texland Pet.
Knowles 29 Fed. #1 (R-144 Pit Closure)

Mr. Williams:

The drilling pit at the above listed location has been closed according to the approved C-144. If the surface owner does not have a preference of seeding, we will seed according to BLM recommendation for this area.

If you have any questions, please call.

Sincerely,



Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

cc: Texland Pet. - Greg Mendenhall ✓

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6K-CW
5/21/08

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 NMOC 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: Texland Petroleum LLC Telephone: 817-336-2751 e-mail address: semyo4@leaco.net
Address: 777 Main Street, Suite 3200 Fort Worth TX 76102
Facility or well name: Knowles 29 Fed #1 API #: 30-025-38414 U/L or Qtr/Qtr G Sec 29 T 16 R 38
County: Lee Latitude 32 89537 Longitude 103.1679 NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit
Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlined ☐
Liner type: Synthetic ☒ Thickness 12 mil Clay ☐
Pit Volume 4400 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____
Construction material: _____
Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)
103' Aug

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)

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 (attach a diagram) if the pit is located 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: Our plan is to deep bury on location Hobbs pit stabilize mud, cap with 20 mil liner and then backfill with clean soil. Send per BLM spec. Pit was excavated deeper to below for this closure.
Notify BLM + OCD before starting final survey notice after closing will begin soon after approval. Closure was completed 4/25/08

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 NMOC District Office, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 3/19/2008

Printed Name/Title: Eddie W. Seay Signature: Eddie W. Seay

Your certification and NMOC District Office 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: CHRIS WILLIAMS / DIST. SURV Signature: Chris Williams Date: 3/24/2008



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Receiving Date: 04/15/08
Reporting Date: 04/16/08
Project Owner: TEXLAND
Project Name: KNOWLES FED. 29-1
Project Location: LEA COUNTY, NM

Analysis Date: 04/15/08
Sampling Date: 04/11/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: HM

[illegible]

4500-СГВ

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

H14648 HHE

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