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 March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe

SEP 1 0 2007

OCD-AKTESIA

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

Telephone 505-748-3303 Operator. Marbob Energy Corporation e-mail address land2@marbob.com Address PO Box 227, Artesia, NM 88211-0227 330' FNL & 25' FEL Facility or well name Scared Hawk State Com #1 API# 30-015-35102 U/L or Otr/Otr NENE Sec 4 T 25S R 28E County **Eddy** NAD 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐ Latitude Longitude Pit Below-grade tank Type: Drilling Production Disposal Volume bbl Type of fluid Workover Emergency Construction material Lined Unlined Double-walled, with leak detection? Yes If not, explain why not Liner type Synthetic

☐ Thickness 12 mil Clay ☐ Volume (20 points) Less than 50 feet Depth to ground water (vertical distance from bottom of pit to seasonal high (10 points) 50 feet or more, but less than 100 feet water elevation of ground water) 20 points 100 feet or more (0 points) (20 points) Yes Wellhead protection area (Less than 200 feet from a private domestic No 0 points (0 points) water source, or less than 1000 feet from all other water sources) Less than 200 feet (20 points) Distance to surface water (horizontal distance to all wetlands, playas, (10 points) 200 feet or more, but less than 1000 feet irrigation canals, ditches, and perennial and ephemeral watercourses) 1000 feet or more 0 points (0 points) Ranking Score (Total Points) 20 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 onsite \(\square\) offsite \(\square\) 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 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 5, 2007 **Gerald Herrera** Printed Name/Title: 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 Signed By Mile Bearing Date SEP 2 0 2007 Printed Name/Title Signature Closure Attached NOTIFY OCD 24 HOURS PRIOR to

beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

Marbob Energy Corporation Attachment to OCD Form C-144



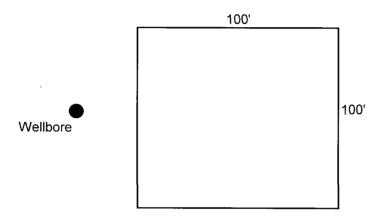
Pit or Below-Grade Tank Registration or Closure

Pit Closure

Scared Hawk State Com #1

330' FNL & 25' FEL Section 4 T-25S R-28E Eddy County, New Mexico SEP 10 2007 OCD-AKIESIA

(1) Facility diagram



2. Disposal location:

Truck and haul cuttings to approved disposal

- 3. General description of remedial action:
 - a. Use caliche from road and pad to fill pit.
 - b. Use stock piled dirt to cover pit, reseed per specifications.
- 4. Groundwater encountered:

No

5. Soil sample:

As required