

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 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 ☒

SEP 10 2007
OCD-ARTESIA

Operator **Marbob Energy Corporation**

Telephone **505-748-3303**

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 Qtr/Qtr **NENE Sec 4 T 25S R 28E**

County **Eddy**

Latitude

Longitude

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 ☐ Volume
_____ 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)

Less than 50 feet

50 feet or more, but less than 100 feet

100 feet or more

(20 points)

(10 points)

(0 points)

20 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

No

(20 points)

(0 points)

0 points

Distance to surface water (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses)

Less than 200 feet

200 feet or more, but less than 1000 feet

1000 feet or more

(20 points)

(10 points)

(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 ☒ 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

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**

Printed Name/Title: **Gerald Herrera**

Signature *G. Herrera*

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

Date **SEP 20 2007**

Printed Name/Title

Signature

Signed By *Mike Bratcher*

Accepted for record
NMOCD

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.

** Closure will be within the next few days*

*Sampling has been completed with results and field notes attached.
Visited with Mike Bratcher last week on this one. Due to delineation there were 7 sampling points. Spent time 10/10/07*

Marbob Energy Corporation
Attachment to OCD Form C-144

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Pit or Below-Grade Tank Registration or Closure

Pit Closure

Scared Hawk State Com #1

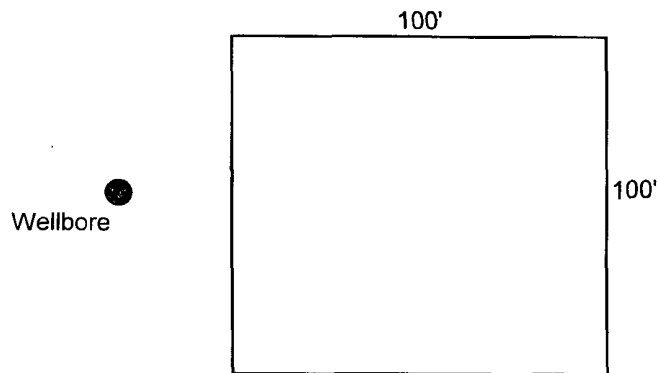
330' FNL & 25' FEL

Section 4 T-25S R-28E

Eddy County, New Mexico

SEP 10 2007
OCD-ARIESIA

(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:

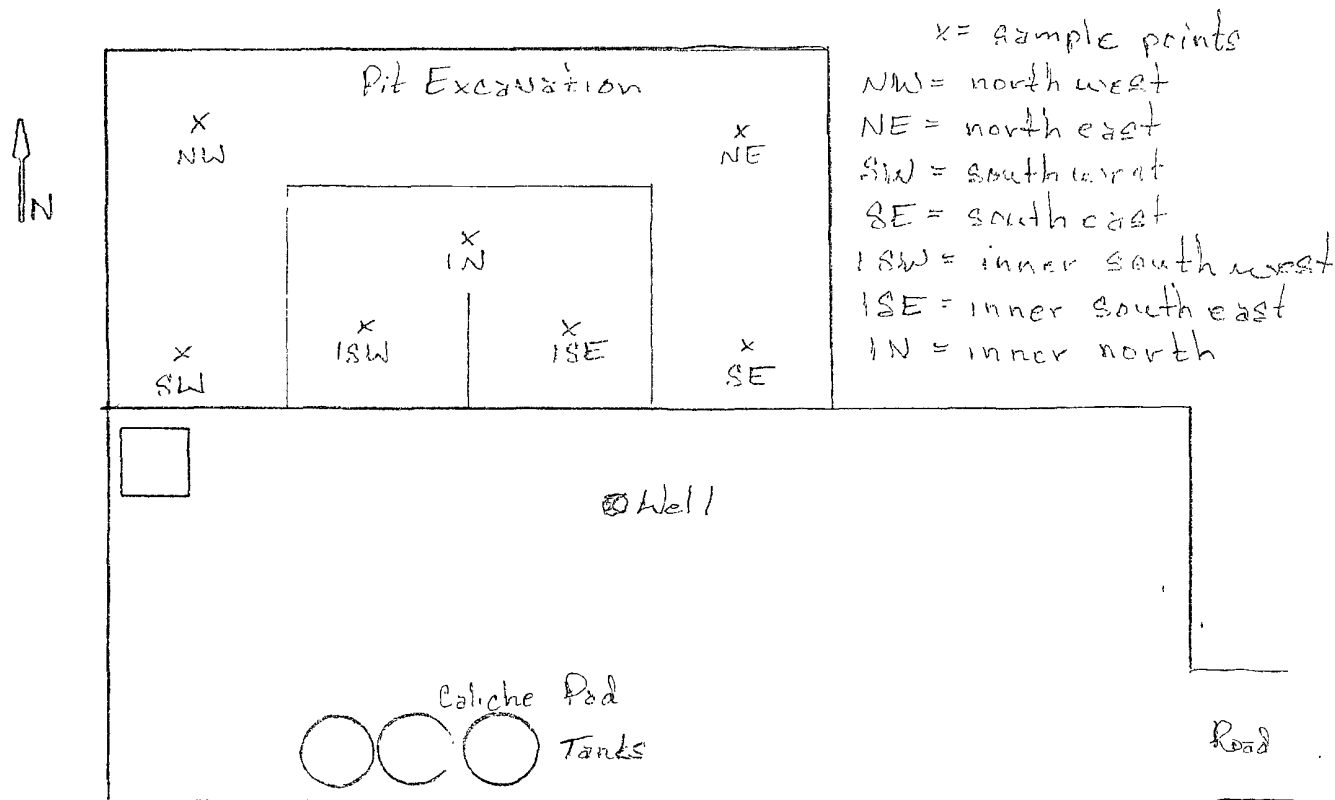
No

5. Soil sample:

As required

N/A

Field Chlorides on pit bottom



Note: Collected first samples from the existing pit floor at seven locations. 8 to 12 ft below ground surface (bgs).

NW	8' bgs	8,400 ppm	(parts per million Cl ⁻)
		Reddish brown sandy clay, ~30% clay	
NE	8' bgs	3,400 ppm	
		Dark red-brown sandy clay, ~35% clay	
SW	12' bgs	3,000 ppm	
		Dark red-brown sandy clay, ~35% clay	
SE	10' bgs	16,600 ppm	
		Red-orange sandy clay, ~28% clay	
ISW	8' bgs	10,600 ppm	
		Orange brown sandy clay, ~30% clay	

Markob Energy

Scored Haul

9/18/07

Field Chloride Screens (Continued)

1SE	8' bgs	13,800 ppm Red brown sandy clay, ~35-40% clay		
1N	8' bgs	3,400 ppm Red brown sandy clay, ~35-40% clay		
Note: All sample points were trenched to obtain deeper samples.				
NW	12' bgs	2000 ppm Red brown fine sandy clay, ~35-40% clay		
NE	12' bgs	1000 ppm Red brown sandy clay, ~30% clay		
SW	16' bgs	1600 ppm Orange brown sandy clay, ~35% clay		
SE	14' bgs	19,400 ppm Red orange sandy clay, ~30-35% clay		
1SW	12' bgs	600 ppm Orange brown sandy clay, ~30-35% clay		
1SE	12' bgs	2,200 ppm Dark red brown sandy clay, ~35% clay		
1N	12' bgs	600 ppm Red brown sandy clay, ~30-35% clay		
Note: All sample points except 1SW and 1N will be deepened. Will hold 1SW and 1N for composite sample.				
NW	17' bgs	800 ppm Brown yellow sandy clay, ~35% clay		
NE	17' bgs	800 ppm Dark red brown sandy clay, ~30-35% clay		
SW	21' bgs	400 ppm Red brown sandy clay, ~30-35% clay		
SE	21' bgs	2,400 ppm Red brown sandy clay, ~35% clay		

Field Chloride Screens (Continued)

ISE 14' bgs 400 ppm
Red brown sand clay, ~25-40% clay

Note: Only continued trenching NW, NE, + SE.
The rest of the samples will be composited.

NW 18' bgs 600 ppm
Light yellow brown sandy clay, ~30-35% clay

NE 18' bgs 400 ppm
Red brown sandy clay, ~30-35% clay

SE 25' bgs 300 ppm
Red brown sandy clay, ~35% clay

Note: Will composite seven bottommost samples
for lab chloride analysis.



ARDINAL LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (505) 397-0397

Receiving Date: 09/24/07
Reporting Date: 09/25/07
Project Owner: MARBOB
Project Name: SCARED HAWK
Project Location: MALAGA, NM

Analysis Date: 09/25/07
Sampling Date: 09/18/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: SB
Analyzed By: KS

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H13359-1	PIT BOTTOM	768
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods 4500-Cl⁻B

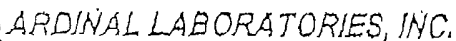
Note: Analysis performed on a 1:4 w/v aqueous extract.

Brian Dupont
Chemist

9/25/07
Date

H13359 BBC

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 client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (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.



2111 Beechwood, Abilene, TX 79603 (915) 673-7001 Fax (915) 673-7020
101 East Marland, Hobbs, NM 88240 (505) 393-2326 Fax (505) 393-2478

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

Company Name: BBC International, Inc.				BILL TO				ANALYSIS REQUEST																															
Project Manager: Cliff Brunson				P.O. #:																																			
Address: 1324 W. Marland				Company:																																			
City: Habbs State: NM Zip: 88240				Attn:																																			
Phone #: 505-397-6388 Fax #: 505-397-0397				Address: SAME																																			
Project #:				Project Owner: Marbob																																			
Project Name: Scared Hawk				State:				Zip:																															
Project Location: Malaga				Phone #:																																			
Sampler Name: Amy Ruth				Fax #:																																			
FOR LAB USE ONLY				MATRIX		PRESERV.		SAMPLING		Chloride																													
Lab I.D.		Sample I.D.		# CONTAINERS		GROUNDWATER		WASTEWATER														SOIL		CRUDE OIL		SLUDGE		OTHER:		ACID/BASE:		ICE / COOL		OTHER:		DATE		TIME	
H1359-1		Pit Bottom		C		1																		9/18/07		1800													

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