

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
S Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-14
March 12, 2007

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 ☒

Month - Year
APR - 5 2007
OCD - ARTESIA, NM

Operator **Marbob Energy Corporation**

Telephone **505-748-3303**

e-mail address **land2@marbob.com**

Address **PO Box 227, Artesia, NM 88211-0227**

330' FNL & 1850' FWL

Facility or well name **Burch Keely Unit #400**

API # **30-015-35246**

U/L or Qtr/Qtr **NENW** Sec **24** T **17S** R **29E**

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

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

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)

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)

0 points

Ranking Score (Total Points)

0 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

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 April 3, 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 **4/10/07**

Printed Name/Title

Signature

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back-filling

Notify OCD 24 hours prior to beginning pit closure.

Accepted for record
NMOCD

Sampled And closed pit according to the attached requirements on 9/6/07
See Attachment i Results
Shirley L. Smith

Marbob Energy Corporation
Attachment to OCD Form C-144

Pit or Below-Grade Tank Registration or Closure

Pit Closure

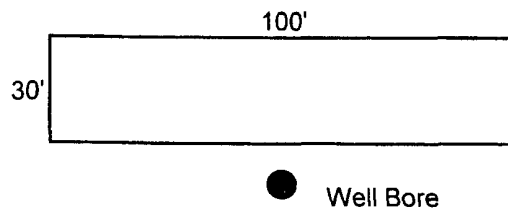
Burch Keely Unit #400

330' FNL & 1850' FWL

Section 24 T-17S R-29E

Eddy County, New Mexico

(1) Facility diagram



(2) Disposal location:

Fluids will be disposed at an approved disposal facility.

(3) General description of remedial action:

Transfer cuttings to ends, dig deep bury pit in center of pit, line with 12 mil plastic. Use material to stiffen cuttings. Transfer stiffened cuttings into lined pits, leaving mounded for drainage. Cap with 20 mil liner. Cover with three feet of cover material.

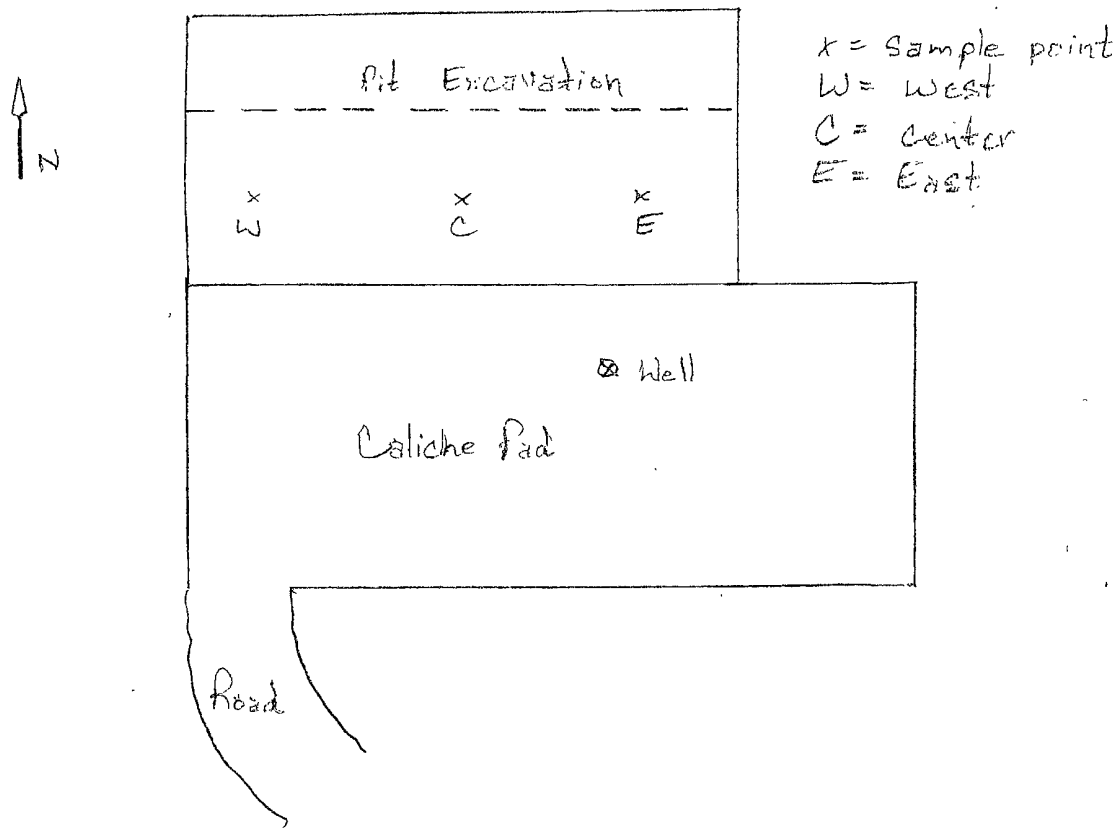
(4) Groundwater encountered:

No

(5) Soil sample:

N/A

Field Chloride Screens on Pit Bottom



Note: Began sampling existing excavation floor at 12' bgs (below ground surface).

(wrong soil description) 2

W 12' bgs ~~Red fine sandy clay (~50% clay) with ~5% black material covering ped surfaces.~~
(suspect mineral)

Cl- 300 ppm Soil description is below 2

C 12' bgs Red fine sand with ~20% clay. <5% caliche
~~Cl- 400 ppm~~

~~E 12' bgs~~

C 12' bgs Red fine sandy clay (~50% clay) with ~20% caliche.

Cl- 400 ppm

Field Chloride Screens (continued)

E 12' bgs Fine red sand with ~25% clay and ~5% caliche. Cl- 18,800 ppm

Note: Excavated the E sample point to find chloride screen of <500 ppm. Will hold W and C to submit all as composite.

E 15' bgs Fine red sand with ~15% clay.

Cl- 15,800 ppm

18' bgs Fine red sand with ~15% clay

Cl- 15,400 ppm

23' bgs Fine red sand with ~25% clay.

Cl- 2,000 ppm

28' bgs Fine red sand with ~30% clay

Cl- 1,000 ppm

32' bgs Finer red sand with ~35% clay

Cl- 160 ppm

Note: Will submit a composite to the lab.



PHONE (325) 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: 09/04/07
Reporting Date: 09/06/07
Project Owner: MARBOB
Project Name: BKU 400
Project Location: LOCO HILLS, NM

Analysis Date: 09/06/07
Sampling Date: 08/29/07
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: NF
Analyzed By: KS

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H13232-1	E AT 23'	2,255
H13232-2	PIT BOTTOM	176
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

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

Kirsten Suprsko
Chemist

09/06/07
Date

H13232 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.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

Company Name: <u>BBC International, Inc.</u>		BILL TO		ANALYSIS REQUEST												
Project Manager: <u>Cliff Brunson</u>		P.O. #:														
Address: <u>1324 W. Marland</u>		Company:														
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Attn: <u>SAME</u>														
Phone #: <u>505-397-6388</u> Fax #: <u>505-397-0397</u>		Address:														
Project #: _____ Project Owner: <u>Marbob</u>		City:														
Project Name: <u>BKU 400</u>		State: _____ Zip: _____														
Project Location: <u>Loco Hills</u>		Phone #:														
Sampler Name: <u>Amy Ruth</u>		Fax #:														
FOR LAB USE ONLY	Lab I.D.	Sample I.D.	(GRAB OR (D)OMP.)	# CONTAINERS	MATRIX				PRESERV.	SAMPLING		Chloride				
					GROUNDWATER	WASTEWATER	SOIL	CRUDE OIL	SLUDGE	OTHER:	ACID/BASE		ICE / COOL	OTHER:	DATE	TIME
	H13232-1	E at 23'	G	1			✓				✓				8/29/07	1700
		→ Pit Bottom	C	1			✓				✓				8/29/07	1730

PLEASE NOTE: Liability and Damages: Cardinal's liability and ability to accept custody for any data arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All data included herein for negligence and any other cause whatsoever shall be deemed limited unless made in writing and received by Cardinal within 30 days after completion of the applicable service. Thereafter Cardinal shall have no responsibility or contractual obligation, including without limitation, business interruption, loss of use, or loss of profits incurred by client, its subcontractors, affiliates or successors arising out of or caused by the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Taxes and Commissions: IN NM will be charged on all amounts more than 30 days past due at the rate of 5% per annum from the original date of invoice, and at state of collection, including attorney's fees.

Sample Relinquished:	Date:	Received By:	Phone Result: ☐ Yes ☐ No	Add'l Phone #:
	Time:		Fax Result: ☐ Yes ☐ No	Add'l Fax #:
Relinquished By:	Date:	Received By: (Lab Staff)	REMARKS:	
<u>Amy Ruth</u>	<u>8/14/07</u>	<u>Mike 4</u>		
Delivered By: (Circle One)	Time:	Sample Condition	CHECKED BY: (Initials)	
<u>UPS</u>	<u>1546</u>	Cool Intact	<u>MA</u>	
		☐ Yes ☒ No		
		☐ Yes ☒ No		

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