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 rgy Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-14 March 12, 200

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

Month - Year

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

APR - 5 2007 OCO - ARTESIA, NA Operator: Marbob Energy Corporation Telephone. 505-748-3303 e-mail address land2@marbob.com Address PO Box 227, Artesia, NM 88211-0227 2595' FSL & 330' FWL Facility or well name Burch Keely Unit #398 API# 30-015-35399 U/L or Qtr/Qtr NWSW Sec 13 T 17S R 29E 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 Construction material Double-walled, with leak detection? Yes If not, explain why not Lined Unlined Liner type. Synthetic \(\sum \) Thickness 12 mil Clay \(\sum \) Volume (20 points) Less than 50 feet Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) 0 points 100 feet or more (0 points) (20 points) 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, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 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 c date. (4) Groundwater encountered: No \(\sum \) Yes \(\sum \) 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 ha 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 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 Printed Name/Title Notify OCD 24 hours prior to beginning Samples are to be obtained from pit closure. pit area and analysis submitted to Accepted for record NMOCD prior to back-filling Pit closed According to specified Requirements on see Attached Sampling Results.

Marbob Energy Corporation Attachment to OCD Form C-144

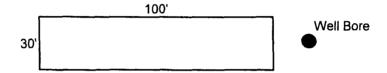
Pit or Below-Grade Tank Registration or Closure

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Burch Keely Unit #398

2595' FSL & 330' FWL Section 13 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:

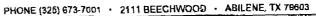
Transfer cuttings to ends, dig deep bury pit in center of pit, line with 12 mil plastic. Use material to stiffen cuttings. Transfer stiffened cuttings into lined pits, leaving mounded for drainage. Cap with 20 mil liner. Cover with three feet of cover material.

(4) Groundwater encountered:

No

(5) Soil sample:

N/A





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 398

Project Name: BKU-396

Project Location: LOCO HILLS, NM

Analysis Date: 09/06/07 Sampling Date: 08/31/07 Sample Type: SOIL

Sample Condition: INTACT Sample Received By: NF

Analyzed By: KS

LAB NUMBER SAMPLE ID (mg/Kg)
H13231-1 PIT BOTTOM 144

Quality Control 500
True Value QC 500
% Recovery 100
Relative Percent Difference < 0.1

METHOD: Standard Methods 4500-CFB

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

Chemist Sugrator

09/06/07 Date ARDINAL LABORATORIES, INC.

(915) 673-7001 Fax (915) 673-7020 (605) 883-2428 Fax (506) 983-2478 Company Name: BBA Independed Ind Analysis Request Project Manager: Cliff Brunson Address: 1324 W. Mariand Company: City: Habbs State: AM Zip: 88240 Atn: Phone # 505-397-6388 Fax #: 505-397-0397 Address: Project Hame: BKW 398 Project Location: Location: Nick Day Day Day Brusser City: Project Location: Location: Location: Marian Preserv. Sampling Lab I.D. Sample I.D. Sampl	_01
Project Manager: Cliff Grungon Address: 1324 LJ. Marland Company: City: Habbs State: A/M zip: 88240 Attn: Phone #: 505-397-6388 Fax #: 505-397-0397 Address: Project Manae: Project Owner: Nay on D City: Project Manae: BKU 398 State: Zip: Project Locadon: Loco Hills Sampler Name: Away Kuth Fax #: For use use city Lab i.D. Sample I.D. Sample I.D. Sample I.D. Sample I.D. Date Time	
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H13231-1 Pit Bottom C1 V 8/31/07 1130 V	
	
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[†] Cardinal cannot accept verbal changes. Please fax written changes to 506-393-2476.