

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 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 ☒

Operator: Koch Exploration Company, LLC Telephone: (505) 334-9111 e-mail address: clark23j@kochind.com or johnso4d@kochind.com
Address: PO Box 489, Aztec, NM 87410
Facility or well name: Blanco 330S API #: 30-045-32560 U/L or Qtr/Qtr_P_Sec_05_T_31N_R_8W
County: San Juan Latitude 36.55.746 Longitude 107.42.252 NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u> </u> bbl	Volume: <u> </u> bbl Type of fluid: <u> </u> Construction material: <u> </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. <u> </u>
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) X 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) X 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) X 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: (check the 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:	CLOSURE

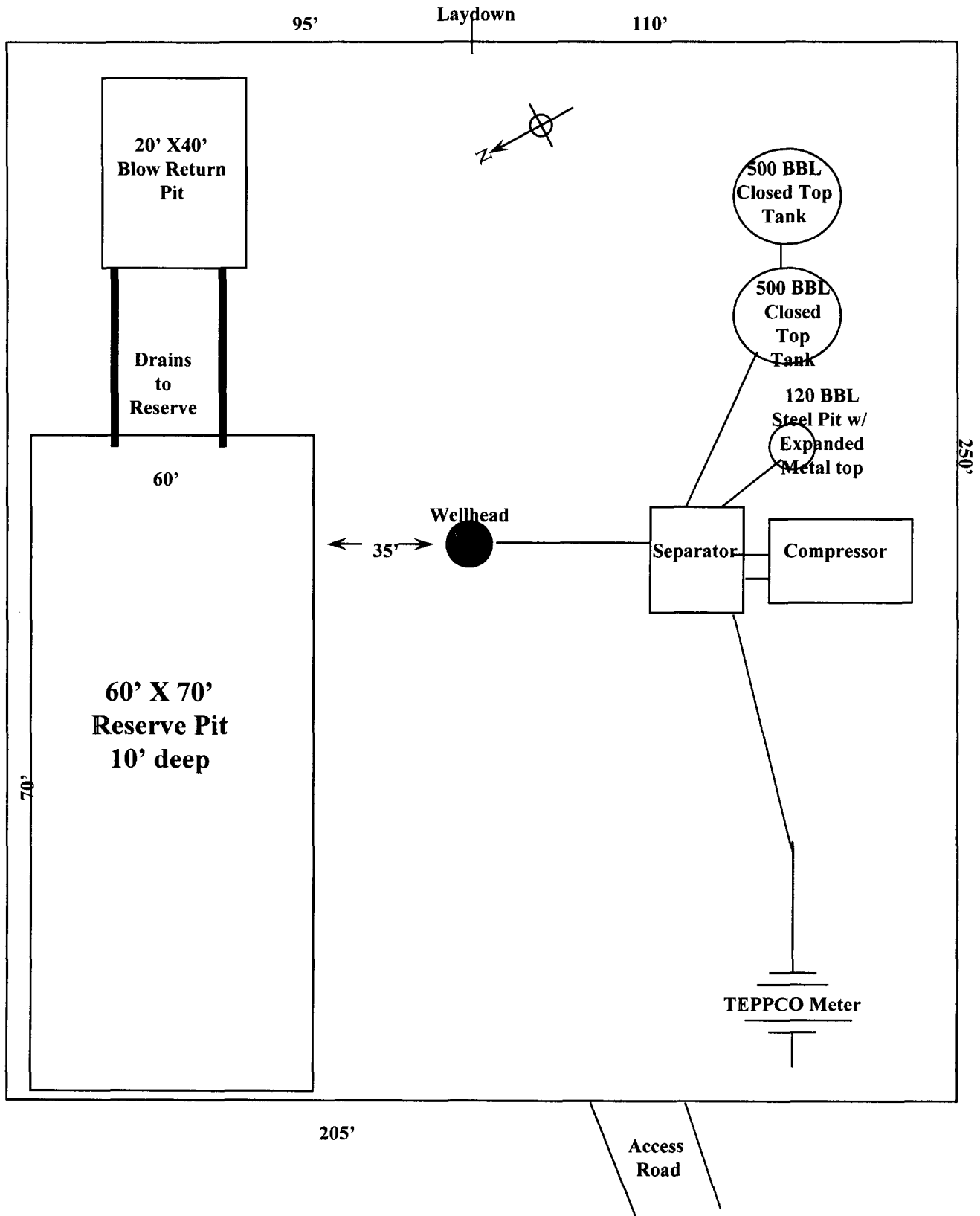
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OGD-approved plan ☒.
Date: 01/17/06

Printed Name/Title John Clark, District Superintendent Signature John Clark

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: DEPUTY OIL & GAS INSPECTOR, DIST. 69 Signature Deputy Date: FEB 21 2006

KOCH EXPLORATION COMPANY LLC
Blanco 330S
S05, T31N, R08W
1700' FNL & 730' FWL - ELEVATION 6529'



Blanco 330S

S05, T31N, R08W, 1700' FNL & 730 FWL

San Juan Co., New Mexico

API No. 30-045-32560 Lease NM078510

Upon completion of cavitation remaining liquids were removed from pit by truck to an approved disposal facility.

Prior to closing the pit, liner was cut off at mud level. The excess liner was hauled to a licensed disposal.

June 16 through June 17, 2005 the remaining waste in pit was encapsulated. This was accomplished by covering the remaining waste and liner with earthen materials.

Surface area where pit was located was contoured according to BLM requirements, and reseeded with recommended BLM seed mixture (12/27/05).