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

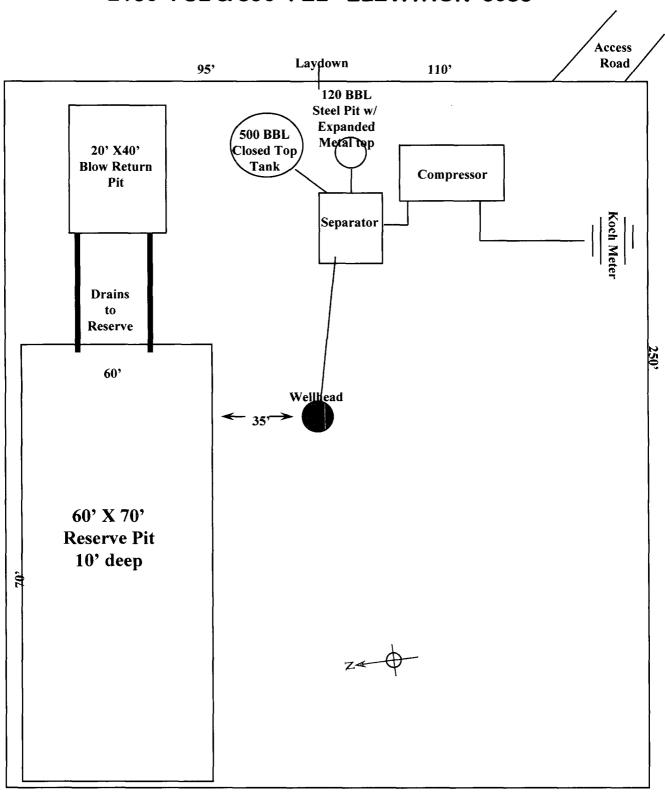
Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes X 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: __Seymour 720S______API #: _30-045-32594______U/L or Qtr/Qtr__I__Sec__23__T_31N__R_9W_ County: San Juan Latitude 36.52.9297 Longitude 107.44.6096 NAD: 1927 🗌 1983 🗌 Surface Owner Federal 🛛 State 🔲 Private 🔲 Indian 🗍 Pit Below-grade tank Type: Drilling Production Disposal Volume: ____bbl Type of fluid: _____ Workover **∑** Emergency □ Construction material: Double-walled, with leak detection? Yes \square If not, explain why not. Lined X Unlined Liner type: Synthetic ☒ Thickness _12_mil Clay ☐ Pit Volume _____bbl Less than 50 feet (20 points) 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.) X 100 feet or more 0 points (0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic X No (0 points) 0 points water source, or less than 1000 feet from all other water sources.) X Less than 200 feet (20 points) 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) 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: (check the onsite box if your are burying in place) onsite \(\overline{\mathbb{X}} \) offsite \(\overline{\mathbb{I}} \) 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 7(5) Attach soil sample results and a diagram of sample locations and excavations. Additional Comments: CLOSURE JUL 2006 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 ϕ Date: 07/20/06 Printed Name/Title John Clark, District Superintendent Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the content 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. TEPUTY ON 8 GAS INSPECTOR, DIST. 🚱 DHIL 2 4 2006 Approval: Printed Name/Title

KOCH EXPLORATION COMPANY LLC Seymour 720S S23, T31N, R9W 2160' FSL & 890' FEL - ELEVATION 6083'



Seymour 720S

S23, T31N, R09W, 2160' FNL & 890' FWL San Juan Co., New Mexico API No. 30-045-32594 Lease NM03601

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Upon completion of cleanout/workover 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.

July 5 through July 6, 2006 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 will be reseeded with recommended BLM seed mixture at a later date, this year.