District L.,
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

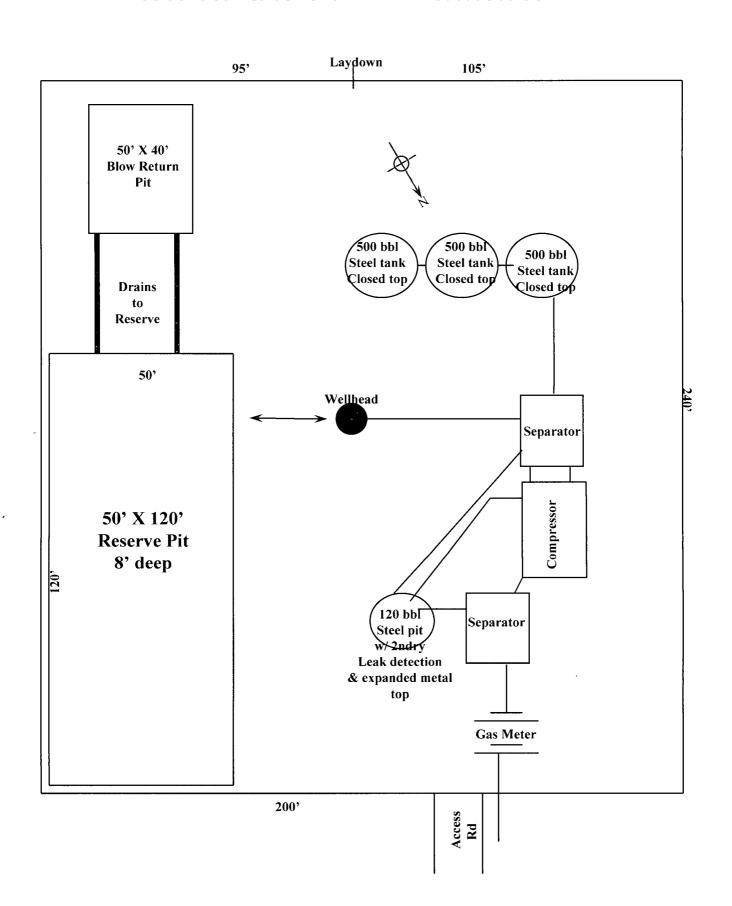
Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure
Is pit or below-grade tank covered by a "general plan"? Yes \( \subseteq \text{No} \subseteq \)

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 Address PO Box 489, Aztec, NM 87410	(505) 334-9111 e-mail address. <u>clark2</u>	231@kochind com or johnso4d@kochind com
	0-045-27704 U/L or Qtr/Qtr B	Sec 12 T 31N R 9W
	36.55 014 Longitude 107 43	i
Surface Owner: Federal \( \subseteq \subseteq \text{State} \) Private \( \subseteq \text{Indian} \)		
Pit Below-grade tank		
Type. Drilling Production Disposal	Volumebbl Type of fluid	
	Construction material	
Workover ⊠ Emergency □	<u> </u>	
Lined Mullined D	Double-walled, with leak detection? Yes  If not, explain why not	
Liner type Synthetic ☑ Thickness <u>12</u> mil Clay □		
Pit Volumebbl		
Depth to ground water (vertical distance from bottom of pit to seasonal	Less than 50 feet	(20 points)
high water elevation of ground water )	50 feet or more, but less than 100 feet	(10 points)
,	X 100 feet or more	( 0 points) 0 points
W-W	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 )		
Distance to surface water (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
irrigation canals, ditches, and perennial and ephemeral watercourses)	X 200 feet or more, but less than 1000 feet	(10 points) 10 points
,	1000 feet or more	( 0 points)
	Ranking Score (Total Points)	10 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 ☑ 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 surfaceft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.		
DOUD TIMO?"() (		
Additional Comments CLOSURE	OIL CONS. DIV.	
DIST. 3		
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 \(\sigma\), a general/permit \(\sigma\), or an/(attached) alternative OCD-approved plan \(\sigma\).		
Date06/25/07_		
Printed Name/Title John Clark, District Superintendent Signature		
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,		
Approval Deputy On & Cas Hispector, Printed Name/Title District #3 Signature Franch of the Date Date Date		

## KOCH EXPLORATION COMPANY NORDHAUS 714 S12, T31N, R9W 1010' FNL & 1825' FEL - ELEVATION 6500'



## Nordhaus 714

S12, T31N, R09W, 1010' FNL & 1825 FEL San Juan Co., New Mexico API No. 30-045-27704 Lease SF078508

Upon completion of deepening 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 6, 2007 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 at a later date with recommended BLM seed mixture.