District I 1625 N. French Dr., Hobbs, NM 88240 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.

Form C-144

March 12, 2004

For downstream facilities, submit to Santa Fe office

MAR 0 4 2005 BED AH TEBIA

Printed Name/Title

RECEIVED

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 Telephone: 505-748-3303 e-mail address: land2@marbob.com Operator: Marbob Energy Corporation Address: PO Box 227, Artesia, NM 88211-0227 Facility or well name: Tony Federal #26 API#: 30-015-33718 U/L or Otr/Otr NENE Sec 19 T 17S R 31E NAD: 1927 🗌 1983 🗌 Surface Owner Federal 🖾 State 🔲 Private 🔲 Indian 🗍 County: Eddy Longitude Latitude Pit Below-grade tank Type: Drilling \(\subseteq \text{ Production } \subseteq \text{ Disposal } \subseteq \) bbl Type of fluid: Volume: Workover ☐ Emergency ☐ Construction material: Double-walled, with leak detection? Yes If not, explain why not. Lined Unlined Liner type: Synthetic ⊠ Thickness 12 mil Clay □ Volume (20 points) Less than 50 feet Depth to ground water (vertical distance from bottom of pit to seasonal high (10 points) 50 feet or more, but less than 100 feet water elevation of ground water.) 100 feet or more 0 points (0 points) (20 points) Yes 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.) (20 points) Less than 200 feet 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 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. (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: 2/9/05 Helle Printed Name/Title: **Gerald Herrera** 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

Signature

Marbob Energy Corporation Attachment to OCD Form C-144

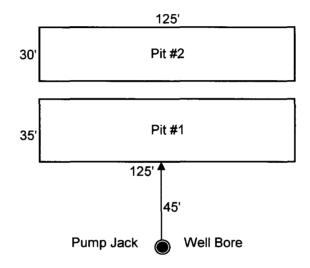
Pit or Below-Grade Tank Registration or Closure

Pit Closure

Tony Federal #26

990' FNL & 330' FEL Section 19 - T17S - R31E Eddy County, New Mexico

(1) Facility diagram



(2) Disposal location:

Fluids will be disposed at Loco Hills Water Disposal

(3) General description of remedial action:

Transfer cuttings from Pit #1 to Pit #2 (both lined with 12 mil plastic), adding caliche from location to stiffen cuttings, this will also reduce pad size. Remove cuttings until both pits have enough space for a minimum of three feet of cover. Cap both pits with 20 mil liners. Place caliche slope in each pit with high point in center. Push cover dirt over both pits. Surface will be level with sloping mound for drainage being below ground level. Re-seed to BLM requirements.

(4) Groundwater encountered:

No

(5) Soil sample:

N/A