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 FORTH C-144
March 12, 2004
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For drilling and production facilities, submit to appropriate NMOCD by Fract 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 X No Type of action: Registration of a pit or below-grade tank \(\simega\) Closure of a pit or below-grade tank \(\simega\) Telephone: 505-748-3303 Operator: Marbob Energy Corporation e-mail address: landtech@marbob.com Address: PO Box 227, Artesia, NM 88211-0227 API#: 30.0/5.352/5 U/L or Qtr/Qtr NWNW Sec 21 T 19S R 31E Facility or well name: Penny Pincher Federal #1 NAD: 1927 ☐ 1983 ☐ Surface Owner Federal 🛛 State ☐ Private ☐ Indian ☐ County: Eddy Latitude Longitude Pit Below-grade tank Type: Drilling | Production | Disposal | Volume: bbl Type of fluid: 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 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.) 100 feet or more 0 points (0 points) Yes (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.) (20 points) Less than 200 feet Distance to surface water: (horizontal distance to all wetlands, playas, (10 points) 200 feet or more, but less than 1000 feet 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 end date. (4) Groundwater encountered: No \(\subseteq \text{Yes} \subseteq \text{If yes, show depth below ground surface} \) 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: September 15, 2006 Nancy T. Bratcher / Land Department Signature Printed Name/Title: 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. Sim W. Greene List II Sepervisor gnature Approval: 9/21/06