

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
March 12, 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: Marathon Oil Co Telephone: 713-296-3254 E-mail address: mfmick@marathonoil.com
Address: P.O. Box 3128 Houston, Tx. 77253
Facility or well name: IB "32" State #9 API #: 30-015-28754 U/L or Qtr/Qtr: 3 Sec: 32 T21S R 24E
County: Eddy Latitude: _____ Longitude: _____ NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☒

Liner type: Synthetic ☐ Thickness 20 mil Clay ☐ Volume

_____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 100' +

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

RECEIVED

Vellhead 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)

No ☒

(0 points)

APR 22 2004

OCD-ARTESIA

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)

1000 feet or more ☒

(0 points)

Ranking Score (Total 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 ☒ 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: 4-21-04

Printed Name/Title: Mike Mick Eng. Tech Signature: mzmick

Our 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.

Approved by: MAY 4 2004 Wild Sep ID

Printed Name/Title: _____ Signature: [Signature]



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

4 May 2004

Marathon Oil Co
P.O. Box 3128
Houston, Texas 77253

30-015-28754

RE: Pit stipulations for:

IB"32" State # 9

J-32-21S-24E

1. Notify O.C.D. prior to construction of pit(s)
2. Construction and closing of pit(s) must meet the criteria of Rule 19.15.2.50 and the Pit Guidelines.
3. Notice must be given to O.C.D. 48 hours prior to closing of pit.
4. Pit shall not be constructed in any watercourse, lakebed, sinkhole, wetland, or playa lake.

A handwritten signature in black ink, appearing to read "Van Barton", written over a horizontal line.

Van Barton
Field Rep. II

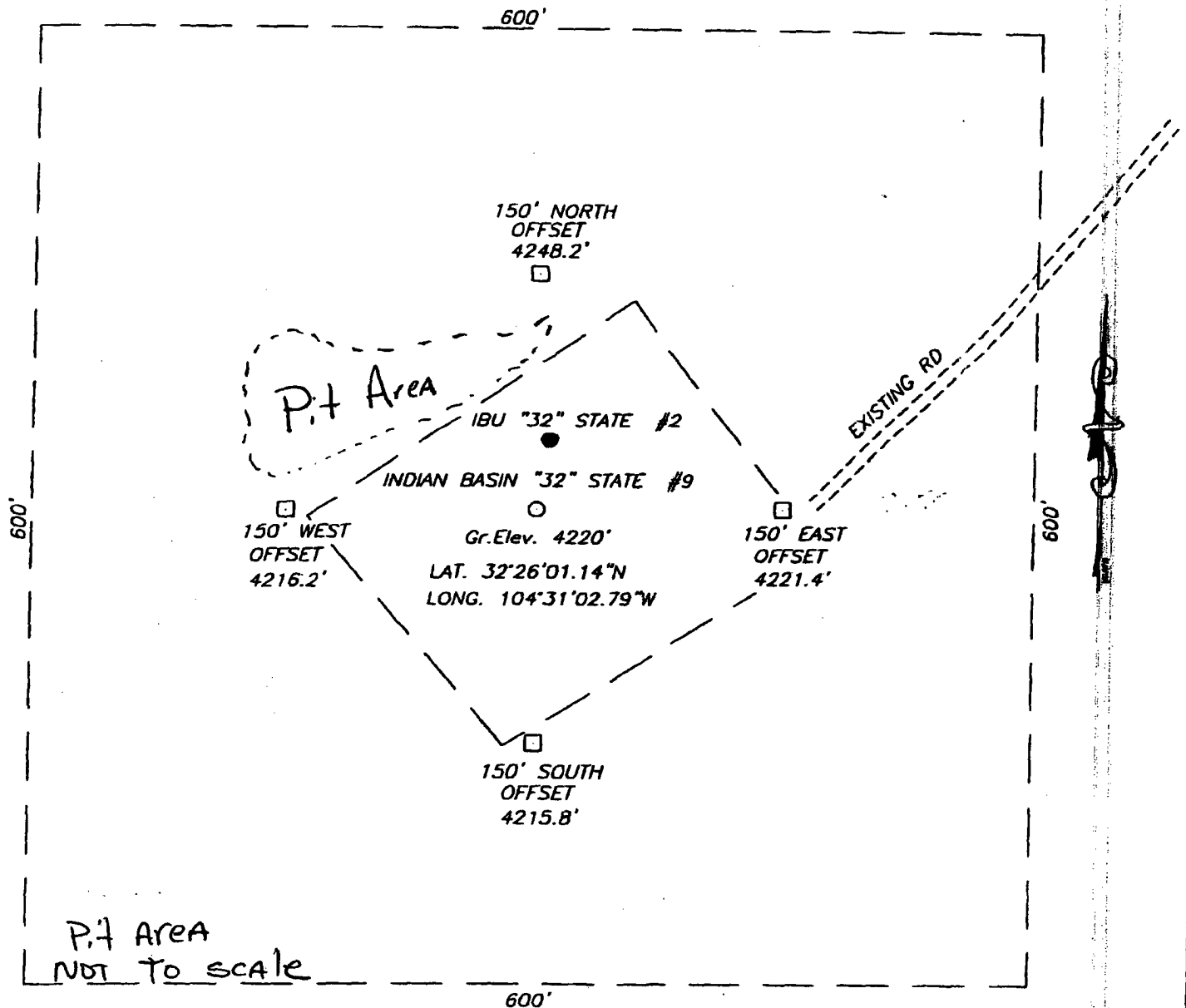
Additional Information- IB "32" State # 9

General

The **IB "32" State # 9** is located on Federal lands. A category determination has been asked for from the BLM to drill well on existing IB "32" State # 2 well site. The applied for pit will be constructed with-in the original pit area of the IB "32" State # 2, with no new surface damages. Approx. size 100'x 100' x 4'.

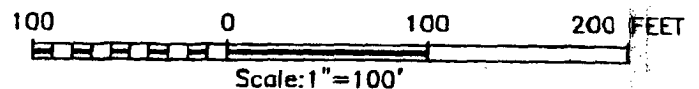
- Topsoil will be stripped and stockpiled for use as the final cover of fill at the time of closure.
- Contents removed from old pit will be stockpiled on a liner to prevent soil contamination.
- A 20 mil. Liner will be installed. Padding will be added if necessary. Liner will be anchored per OCD's guidelines. OCD will be contacted 24 hrs. prior to liner installation.
- All necessary steps will be taken to prevent liner damage.
- Marathon will used a combination of produced and freshwater during drilling, anticipated chloride content of drilling fluids - 10,000 ppm.
- Pit Area will be fence, work access will remain open during operations, closed once rig operations cease.
- All fluids will be removed from pit in a timely manner after operations cease.
- OCD will be contacted when pit closure commences.
- Closure of pit will be performed as per current OCD guidelines for onsite encapsulation The liner edges shall be folded over the contents and a 40 mil liner shall be installed on top. A min. of 3 foot of clean soil shall be spread over encapsulated pit contents. Stockpiled top soil shall be spread and contoured. Pit area will be re-seeded and re-vegetation promoted.

SECTION 32, TOWNSHIP 21 SOUTH, RANGE 24 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

AT MILE POST #42 ON STATE HWY. #137 (QUEENS HWY.) GO SOUTH AT CATTLE GUARD 1.9 MILES TO FORK. TURN LEFT AND GO UP THE STEEP HILL 0.3 MILES TO ANOTHER FORK IN RD. TURN LEFT AND GO NORTH 3.5 MILES. STAY TO THE LEFT AND GO PAST THE MOC. PROD. FACILITY #132. THE FIRST ROAD PAST THE FACILITY TO THE RIGHT GOES TO THE EXISTING IBU 32 STATE #2 WELL LOCATION. THIS LOCATION IS ON THE SAME WELL PAD.



MARATHON OIL COMPANY

THE INDIAN BASIN "32" STATE #9 LOCATED 1958' FROM THE SOUTH LINE AND 1652' FROM THE EAST LINE OF SECTION 32, TOWNSHIP 21 SOUTH, RANGE 24 EAST, EDDY COUNTY, NEW MEXICO

Survey Date: 03/22/04 Sheet 1 of 1 Sheets

W.O. Number: 04.11.0315 DRAWN BY: A.W.B