

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

JAN 03 2008
OCD-ARTESIA

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 ☐

NOV 05 2007

Type of action Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒ OCD-ARTESIA

Operator Premier Oil & Gas, Inc.

Telephone 505-748-2093

e-mail address land2@marbob.com

Address PO Box 1246, Artesia, NM 88211-1246

2310' FNL & 1650' FEL

Facility or well name Dale H. Parke B Tr C #19

API# 30-015-35733

U/I. or Qtr/Qtr G Sec 15 T 17S R 30E

County Eddy

Latitude

Longitude

NAD 1927 ☐ 1983 ☐

Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/> Volume bbl	Below-grade tank Volume bbl Type of fluid Construction material Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) 0 points
Wellhead 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) 0 points
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) 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 ☐ 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 November 1, 2007

See Attached
Stipulations

Printed Name/Title: Gerald Herrera

Signature *G. Herrera*

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

NOV 26 2007

Date

Printed Name/Title

Gerry Guye

Compliance Officer

Signature *Gerry Guye*

* Sampling completed according to stipulations with the results attached. *Paul French 1/2/08*
Accepted for record
NMOCD

Marbob Energy Corporation
Attachment to OCD Form C-144

Pit or Below-Grade Tank Registration or Closure

Pit Closure

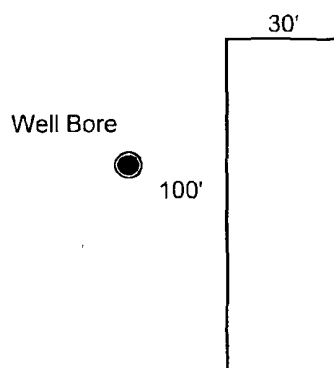
Dale H Parke B Tr C #19

2310' FNL & 1650' FEL

Section 15 T-17S R-30E

Eddy County, New Mexico

(1) Facility diagram



(2) Disposal location:

Fluids will be disposed at an approved disposal facility.

(3) General description of remedial action:

- a. Mix contents of pit (with material from location for pad reduction) to stiffen*
- b. Push to one end of pit, use other end for possibly two capsulation pits.*
- c. Line pits with 12 mil plastic.*
- d. Transfer contents into lined pits.*
- e. Cap with 20 mil liner*
- e. Cover with 3' of cover dirt.*
- f. Re-seed to BLM requirements.*

(4) Groundwater encountered:

No

(5) Soil sample:

*Samples will be obtained from pit area and analysis submitted to NMOCD prior to backfilling.
Notify NMOCD 24 hours prior to obtaining samples.*

Stipulations for closing
Of Pit

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back filling. Notify NMOCD 24 hours prior to obtaining samples.

If burial trench is to be constructed in the pit area, samples are to be obtained from that area and analyses submitted to NMOCD prior to lining the pit, but after contaminated soils have been excavated from trench area.

Notify NMOCD 24 hours prior to beginning closure.

Pits must be closed within 6 months of the date production casing is set.

Encapsulation insitu will be accomplished by mixing earthen materials with the pit contents, as necessary to stiffen the pit contents sufficiently to provide physical stability and support for the pit cover. No fluids are to be encapsulated in the bury pit.



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (575) 397-0397

Receiving Date: 12/26/07
Reporting Date: 12/26/07
Project Owner: MARBOB
Project Name: DALE H. PARKE B TR. C #19
Project Location: LOCO HILLS, NM

Analysis Date: 12/26/07
Sampling Date: 12/20/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: KS

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H13977-1	PIT BOTTOM	112
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		3.9

METHOD: Standard Methods 4500-ClB

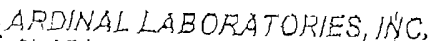
Note: Analysis performed on a 1:4 w:v aqueous extract.

Krista Sipe
Chemist

12/26/07
Date

H13977 BBC

PLEASE NOTE Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable services. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Date: / /

† Cardinal cannot accept verbal changes Please fax written changes to 506-293-2476.