Robin Terrell
Mewbourne Oil Company
PO Box 5270
Hobbs, New Mexico 88241

November 20, 2007

OCD

Mike Bratcher
NMOCD District 2 Office
1301 W. Grand
Artesia, New Mexico 88210

RE: Long Draw 4 Federal Com 001 - Final Pit Closure

Long Draw 4 Federal Com 001 Depth to Ground Water: 175'
API: 30-015-34262 Planned Analytical Testing: Chlorides
Sec 04-T20S-R25E Site Ranking Score: 0 (zero)
0990' FSL & 1650' FEL Primary Land Use: Ranching and Oil & Gas
Production

Pursuant to Pit Rule 50 of the New Mexico Oil Conservation District of the State of New Mexico regulatory requirement for pit closure, please accept the following documentation for final closure of the drilling pit for the aforementioned location.

An Insitu burial trench was excavated and lined with 12mil HDPE liner. All drill cuttings were stiffened and transferred to the lined Insitu trench. Upon transferring all pit contents to the lined burial trench, field tests were performed on the soil within in the confines of the original drill pit. The field results of chloride delineation of the impacted material are as follows (a diagram has also been attached):

Q1	10' 130mg/kg	Q2	10' 4900mg/kg 15' 2400mg/kg 20' 1900mg/kg 23' 100mg/kg (clay)	Q3	10' 120mg/kg
Q4	10' 600mg/kg 12' 600mg/kg 14' 4200mg/kg 16' 3400mg/kg 18' 850mg/kg 20' 260mg/kg	Q5	10' 120mg/kg		

After field tests were performed, Mike Bratcher of the New Mexico Oil Conservation Division (NMOCD) was contacted. Approval for closure was granted with the following stipulation:

> Due to the impact in Sections Q2 and Q4, the impacted material needs to be removed and transferred to the Insitu burial cell. Section Q2 needs to be removed down to 20'. The material in Section Q4 down to 12' needs to be "stacked out of the way" and the material from 12' to 16' needs to be excavated and placed in the lined Insitu trench. The material that was "stacked out of the way" needs to be placed back in the pit and covered with clean native material.

Pursuant to NMOCD Pit Rule 50, the impacted material in Sections Q2 and Q4 were removed and placed into the lined Insitu trench; a 20mil liner was placed on top of the Insitu trench to seal in the impacted soils and the stiffened drill cuttings. The pit area was backfilled with clean native material, contoured to the surrounding terrain and reseed with an approved seed mixture.

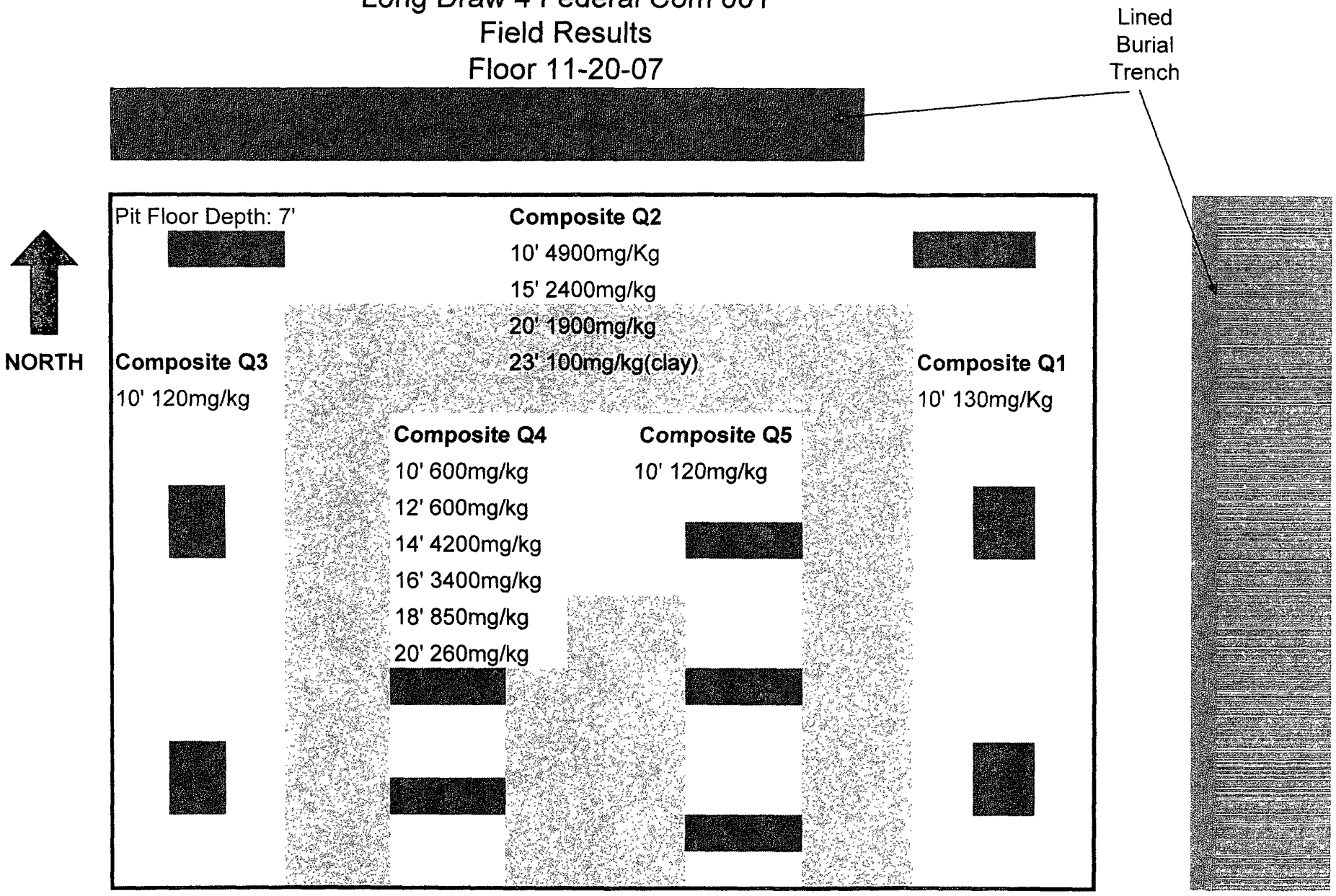
Soil samples were collected, prepared and packaged per EPA guidelines and forwarded to Trace Analysis in Lubbock, Texas for official analytical testing. Please find the official analytical results attached hereto.

Please review the attached documentation and contact me at 505-393-5905 with any questions or concerns.

Sincerely,

Robin Terrell
Production Engineer

Long Draw 4 Federal Com 001
Field Results
Floor 11-20-07



Note: some clay detected at 18'

District I
625 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
June 1, 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

OCT 24 2007

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 ☒

OCD-ARTESIA

Operator: NEWBOURNE OIL COMPANY Telephone: (505) 393-5915 e-mail address:

Address: 701 S. CECIL HOBBS, NM 88240

Facility or well name: LONG DRAW 4 FED #1 API #: 30-015-34262 U/L or Qtr/Qtr O Sec 4 T 20S R 25E

County: EDDY Latitude N 32°35'52.4 Longitude W104°29'11.9 NAD: 1927 ☐ 1983 ☒

Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 5000 bbl	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.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points) 150'
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	0

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 surface ____ ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: Pit Contents will be excavated from the Pit Area. Soil will be tested by Lab, if contamination is confirmed further remediation will be conducted according to guidelines. A trench will be dug and lined with a 20mil impervious liner and the excavated material will be placed on top and incapsulated. Pit will then be backfilled and contoured with 3' of soil capable of supporting native plant growth to prevent erosion and ponding of rain water.

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: 10-19-07

Printed Name/Title JEFF RAINES / AGENT 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.

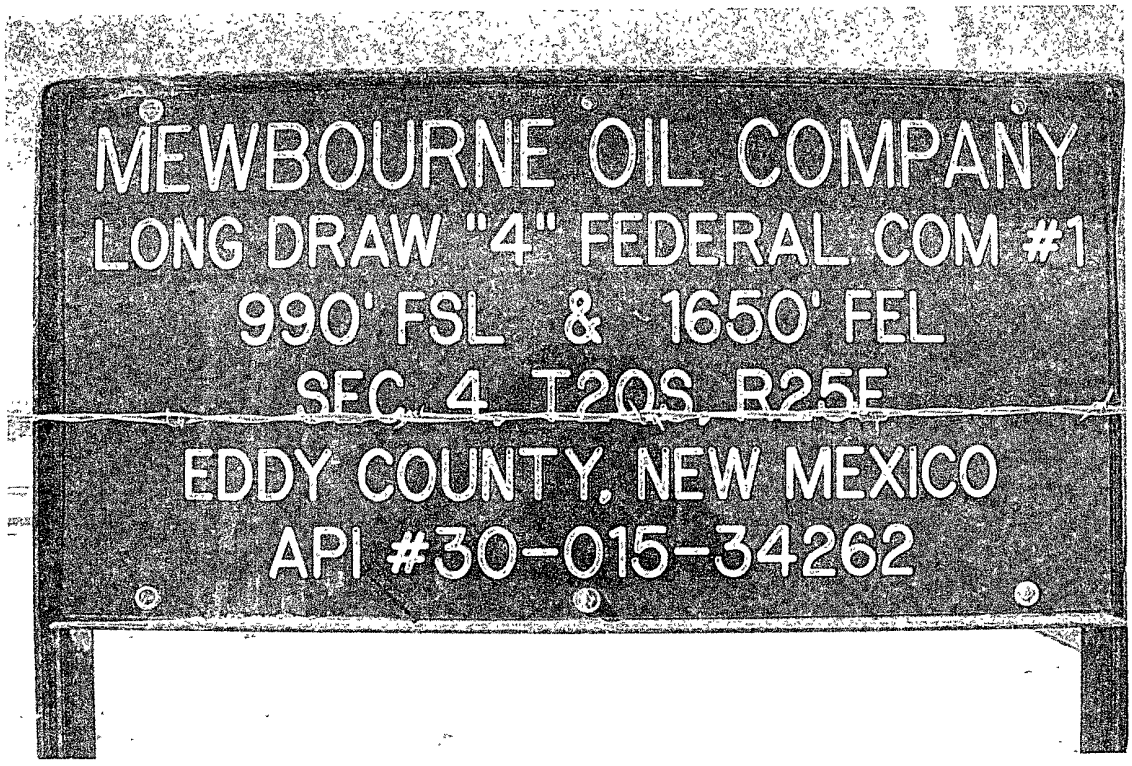
Approval:

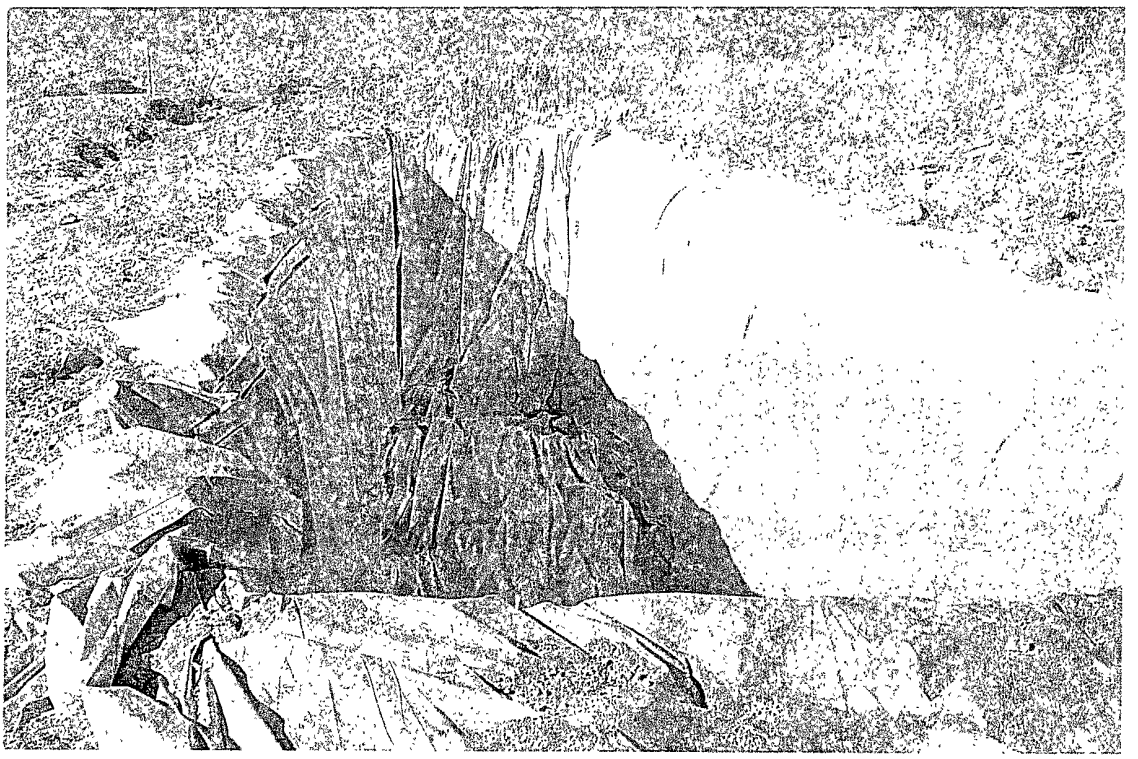
Signed By Mike Bratcher OCT 24 2007

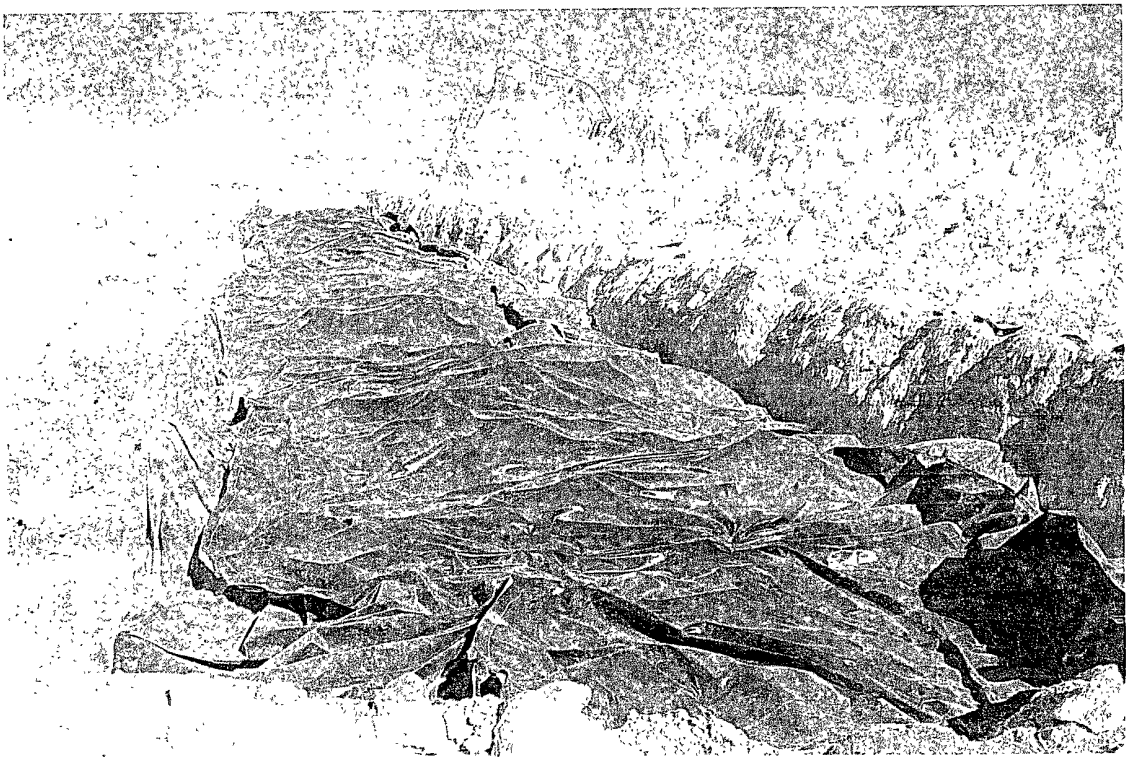
Signature Date:

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR

If burial trench is to be constructed in pit area, samples are to be obtained


MEWBOURNE OIL COMPANY
LONG DRAW "4" FEDERAL COM #1
990' FSL & 1650' FEL
SEC. 4, T20S, R25E
EDDY COUNTY, NEW MEXICO
API #30-015-34262





Mewbourne Oil
Long Draw 4 Fed Com #1

Summary Report

Robin Terrell
Mewbourne Oil Company
P. O. Box 5270
Hobbs, NM, 88220

Report Date: January 11, 2008

Work Order: 8010827

Project Location: Sec 4-T20S-R25E/Eddy County,NM
Project Name: Long Draw 4 Fed #1
Project Number: API-30-015-34262

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
147184	Q1-10'-comp	soil	2007-11-20	09:00	2008-01-08
147185	Q2-23'-comp	soil	2007-11-20	09:30	2008-01-08
147186	Q3-10'-comp	soil	2007-11-20	10:00	2008-01-08
147187	Q4-20'-comp	soil	2007-11-20	11:00	2008-01-08
147188	Q5-10'-comp	soil	2007-11-20	11:30	2008-01-08

Sample: 147184 - Q1-10'-comp

Param	Flag	Result	Units	RL
Chloride		**112**	mg/Kg	2.00

Sample: 147185 - Q2-23'-comp

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 147186 - Q3-10'-comp

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 147187 - Q4-20'-comp

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 147188 - Q5-10'-comp

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

TRACEANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
200 East Sunset Road, Suite E El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
5002 Basin Street, Suite A1 Midland, Texas 79703 432•689•6301 FAX 432•689•6313
8808 Camp Bowie Blvd West, Suite 180 Ft Worth, Texas 76116 817•201•5260 FAX 817•560•4336
E-Mail lab@traceanalysis.com

Analytical and Quality Control Report

Robin Terrell
Mewbourne Oil Company
P. O Box 5270
Hobbs, NM, 88220

Report Date: January 11, 2008

Work Order: 8010827

Project Location: Sec 4-T20S-R25E/Eddy County,NM
Project Name: Long Draw 4 Fed #1
Project Number: API-30-015-34262

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
147184	Q1-10'-comp	soil	2007-11-20	09:00	2008-01-08
147185	Q2-23'-comp	soil	2007-11-20	09:30	2008-01-08
147186	Q3-10'-comp	soil	2007-11-20	10:00	2008-01-08
147187	Q4-20'-comp	soil	2007-11-20	11:00	2008-01-08
147188	Q5-10'-comp	soil	2007-11-20	11 30	2008-01-08

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank

Case Narrative

Samples for project Long Draw 4 Fed #1 were received by TraceAnalysis, Inc on 2008-01-08 and assigned to work order 8010827 Samples for work order 8010827 were received intact at a temperature of 4 0 deg C.

Samples were analyzed for the following tests using their respective methods.

Test	Method
Chloride (Titration)	SM 4500-Cl B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring, however, it may not pertain to the samples for work order 8010827 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Analytical Report

Sample: 147184 - Q1-10'-comp

Analysis:	Chloride (Titration)	Analytical Method	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	44553	Date Analyzed:	2008-01-10	Analyzed By:	AR
Prep Batch:	38369	Sample Preparation:		Prepared By:	AR

Parameter	Flag	Result	RL	Units	Dilution	RL
Chloride		112		mg/Kg	50	2.00

Sample: 147185 - Q2-23'-comp

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	44553	Date Analyzed:	2008-01-10	Analyzed By:	AR
Prep Batch:	38369	Sample Preparation:		Prepared By:	AR

Parameter	Flag	Result	RL	Units	Dilution	RL
Chloride		<100		mg/Kg	50	2.00

Sample: 147186 - Q3-10'-comp

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	44553	Date Analyzed:	2008-01-10	Analyzed By:	AR
Prep Batch:	38369	Sample Preparation:		Prepared By:	AR

Parameter	Flag	Result	RL	Units	Dilution	RL
Chloride		<100		mg/Kg	50	2.00

Sample: 147187 - Q4-20'-comp

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	44553	Date Analyzed:	2008-01-10	Analyzed By:	AR
Prep Batch:	38369	Sample Preparation:		Prepared By:	AR

Parameter	Flag	Result	RL	Units	Dilution	RL
Chloride		<100		mg/Kg	50	2.00

Sample: 147188 - Q5-10'-comp

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	44553	Date Analyzed:	2008-01-10	Analyzed By:	AR
Prep Batch:	38369	Sample Preparation:		Prepared By:	AR

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<100	mg/Kg	50	2 00

Method Blank (1) QC Batch: 44553

QC Batch 44553 Date Analyzed. 2008-01-10 Analyzed By AR
Prep Batch: 38369 QC Preparation: 2008-01-10 Prepared By: AR

Parameter	Flag	MDL Result	Units	RL
Chloride		<0 500	mg/Kg	2

Laboratory Control Spike (LCS-1)

QC Batch: 44553 Date Analyzed: 2008-01-10 Analyzed By: AR
Prep Batch: 38369 QC Preparation: 2008-01-10 Prepared By: AR

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	94.6	mg/Kg	1	100	<0.500	95	85 - 115

Percent recovery is based on the spike result RPD is based on the spike and spike duplicate result.

Param	LCSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	95.5	mg/Kg	1	100	<0.500	96	85 - 115	1	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) Spiked Sample: 147191

QC Batch: 44553 Date Analyzed: 2008-01-10 Analyzed By: AR
Prep Batch: 38369 QC Preparation: 2008-01-10 Prepared By: AR

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	4920	mg/Kg	50	5000	209	94	85 - 115

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec Limit	RPD	RPD Limit
Chloride	4960	mg/Kg	50	5000	209	95	85 - 115	1	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1)

QC Batch: 44553 Date Analyzed: 2008-01-10 Analyzed By: AR

Param	Flag	Units	ICVs True Conc	ICVs Found Conc	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	104	104	85 - 115	2008-01-10

Standard (CCV-1)

QC Batch 44553 Date Analyzed: 2008-01-10 Analyzed By AR

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	96.5	96	85 - 115	2008-01-10

(2)

LAB Order ID # 8010827 Page 1 of 1

TraceAnalysis, Inc.

email: lab@traceanalysis.com

6701 Aberdeen Avenue, Suite 9, **Lubbock, Texas 79424**, Tel (806) 794-1296, Fax (806) 794-1298, 1 (800) 378-1296

5002 Basin Street, Suite A1, **Midland, Texas 79703**, Tel (432) 689-6301, Fax (432) 689-6313

200 East Sunset Rd., Suite E, **El Paso, Texas 79922**, Tel (915) 585-3443, Fax (915) 585-4944, 1 (888) 588-3443

6015 Harris Pkwy, Suite 110, **Ft. Worth, Texas 76132**, Tel (817) 201-5260

Company Name: Mewbourne Oil Company - MOC
Phone #:
Address: (Street, City, Zip) PO Box 5270 Hobbs NM 88240
Fax #:
Contact Person: Robin Terrell
E-mail: rterrell@valornet.com
Invoice to: (If different from above)
Project #: API 30-015-34262
Project Name: Long Draw 4 Fed #1
Project Location (including state): Sec 4 - T20S - R25E Eddy County NM
Sampler Signature: Shelley Tucker

ANALYSIS REQUEST (Circle or Specify Method No.)

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX: WATER	SOIL	AIR	SLUDGE	PRESERVATIVE METHOD: HCl	HNO_3	H_2SO_4	NaOH	ICE	NONE	SAMPLING: DATE	TIME	MTBE 8021B / 602 / 8260B / 624	BTEX 8021B / 602 / 8260B / 624	TPH 418.1 / TX1005 / TX1005 Ext(C35)	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Volatiles	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol. 8260B / 624	GC/MS Semi. Vol. 8270C / 625	PCB's 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content	Chlorides	Turn Around Time if different from standard	Hold
147184	Q1-10' comp	1			X								X	1.2008	0900																		X		
185	Q2-23' comp	1			X								X		0930																		X		
186	Q3-10'-comp	1			X								X		1000																		X		
187	Q4-20' comp	1			X								X		1100																		X		
188	Q5-10' comp	1			X								X	1.2008	1130																		X		

Relinquished by:	Date:	Time:	Received by:	Date:	Time:
Shelley Tucker	1/9/08	17:30			
Relinquished by:	Date:	Time:	Received by:	Date:	Time:
Relinquished by:	Date:	Time:	Received at Laboratory by:	Date:	Time:
			[signature]	1/9/08	17:30

LAB USE ONLY
Intact (Y) / N
Headspace Y / N
Temp 4.2°
Log-in Review

REMARKS: all tests - Midland

☐ Dry Weight Basis Required
☐ TRRP Report Required
☐ Check If Special Reporting Limits Are Needed

Carrier #

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(2)

LAB Order ID # 8010827 Page 1 of 1

TraceAnalysis, Inc.

email: lab@traceanalysis.com

6701 Aberdeen Avenue, Suite 9, Lubbock, Texas 79424, Tel (806) 794-1296, Fax (806) 794-1298, 1 (800) 378-1296

5002 Basin Street, Suite A1, Midland, Texas 79703, Tel (432) 689-6301, Fax (432) 689-6313

200 East Sunset Rd, Suite E, El Paso, Texas 79922, Tel (915) 585-3443, Fax (915) 585-4944, 1 (888) 588-3443

6015 Harris Pkwy, Suite 110, Ft. Worth, Texas 76132, Tel (817) 201-5260

Company Name: Mewbourne Oil Company - MOC

Phone #:

Address: (Street, City, Zip) PO Box 5270 Hobbs, NM 88240

Fax #:

Contact Person: Robin Terrell

E-mail: rterrell@valornet.com

Invoice to: (If different from above)

Project #: API 30-015-34262

Project Name: Jones Draw 4 Fed #1

Project Location (including state): Sec 4 - T20S - R25E Eddy County NM

Sampler Signature: Shelley Tucker

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX: WATER	SOIL	AIR	SLUDGE	PRESERVATIVE METHOD: HCl	HNO_3	H_2SO_4	NaOH	ICE	NONE	SAMPLING: DATE	TIME
147184	Q1-10' Comp	1			X								X	11.2007	0900
185	Q2-23' Comp	1			X								X		0920
186	Q3-10'-Comp	1			X								X		1000
187	Q4-20' Comp	1			X								X		1100
188	Q5-10' Comp	1			X								X	11.2007	1130

ANALYSIS REQUEST (Circle or Specify Method No.)

MTBE 8021B / 602 / 8260B / 624	BTEX 8021B / 602 / 8260B / 624	TPH 418.1 / TX1005 / TX1005 Ext(C35)	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Volatiles	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol 8260B / 624	GC/MS Semi Vol 8270C / 625	PCB's 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content						Turn Around Time if different from standard	Hold
																X							
																X							
																X							
																X							
																X							

Relinquished by: Shelley Tucker Date: 1/9/08 Time: 17:30

Received by: Date: Time:

Relinquished by: Date: Time:

Received by: Date: Time:

Relinquished by: Date: Time:

Received at Laboratory by: Date: 1/9/08 Time: 17:30

LAB USE ONLY

Intact (Y) / N

Headspace Y / N

Temp 4.0 °C

Log-in-Review 2D

REMARKS: all tests - thedland

Dry Weight Basis Required

TRRP Report Required

Check If Special Reporting Limits Are Needed

1/11 EP

Carrier #

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C O C

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