

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

Form C-144  
June 1, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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**

RCVD FEB5 07

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

Oil Cons. Div

Operator: Merrion Oil & Gas Corporation Telephone: 505.324.5300 e-mail address: dmerilatt@merrion.bz DIST. 3  
Address: 610 Reilly Ave., Farmington, NM 87401  
Facility or well name: Jazz Com 2 API #: 30-045-32115 U/L or Qtr/Qtr \_\_\_\_\_ Sec 21 T 26N R 11W  
County: San Juan Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927  1983   
Surface Owner: Federal  State  Private  Indian  Fee

<b>Pit</b>	<b>Below-grade tank</b>	
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 type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>~800</u> bbl	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)	<u>0</u>
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)	<u>0</u>
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)	<u>0</u>
<b>Ranking Score (Total Points)</b>		<u>0</u>

**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 you 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: Merrion Oil & Gas closed the above mentioned pit on December 12, 2006.

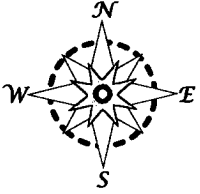
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 1-29-07  
Printed Name/Title Denise Merilatt, Engineering Tech Signature Denise Merilatt

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.

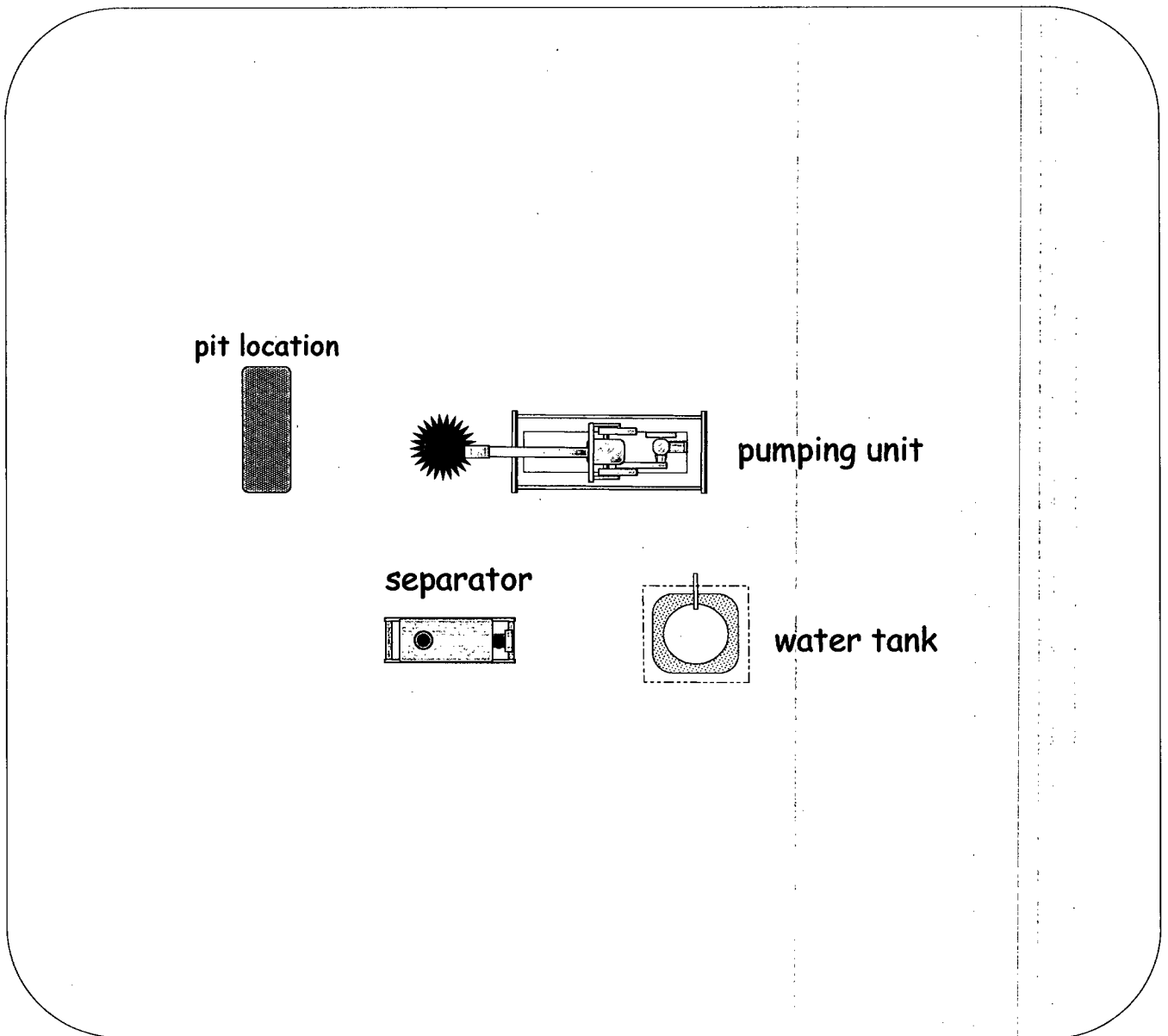
Approval:  
Printed Name/Title ENERGY OIL & GAS INSPECTOR, DIST. 3 Signature Bob Bell Date: FEB 05 2007

# MERRION OIL & GAS SITE FACILITY LAYOUT



## Jazz Com 2

Location: 680' fsl & 1680' fwl  
S21 T26N R11W  
San Juan County, NM



Merrion Oil & Gas

Remediation Plan for Pit Closure

As soon as pit is dried, Merrion Oil & Gas will begin the process of backfilling, leveling and contouring. The liner is to be cut off at mud level.

Waste disposal and spoils materials will be buried using stockpiled topsoil. The stockpiled soil material will be spread on the reclaimed portions of the pad, including the reserve pit, cut and fill slopes prior to re-seeding.