

Elke Environmental, Inc.

P.O. Box 14167 Odessa, TX 79768
Phone (432) 366-0043 Fax (432) 366-0884

April 26, 2007

New Mexico Oil Conservation Division
Mr. Larry Johnson
1625 French Drive
Hobbs, New Mexico 88240

Re: Drilling Pit Closure of McElvain Oil & Gas – McElvain #6
UL 'L' Sec. 25 T18S R33E Lea County
API # 30-025-37948

Mr. Larry Johnson,

Elke Environmental was contracted by McElvain Oil & Gas to complete the closure of the McElvain #6 drilling pit and as per the C-144 filed and signed by Chris Williams on 3-21-07 a burial pit was constructed and lined with 12 mil liner. The drilling mud was mixed with Elke Environmental Solidification Product at a 20(mud) : 1(product) ratio to solidify the contents then placed in the burial pit. 5 bottom points were delineated and tested with NMOCD standards for chlorides being achieved on all points with the deepest point at 14' below ground surface. Lab samples were taken for confirmation. As per the conversation between Larry Johnson and Robert Spangler on 4-12-07, with groundwater at 46' in this area all test points were excavated until chlorides were below 1,000ppm and solidified then placed in a second burial pit built adjacent to the drilling pit. Both burial pits and the remainder of the drilling pit were capped with a 20 mil impervious liner then backfilled with clean native soil and doomed to prevent pooling. If you have any questions about the enclosed report please contact me at the office.

Sincerely,



Logan Anderson

application #PAC 0716347887

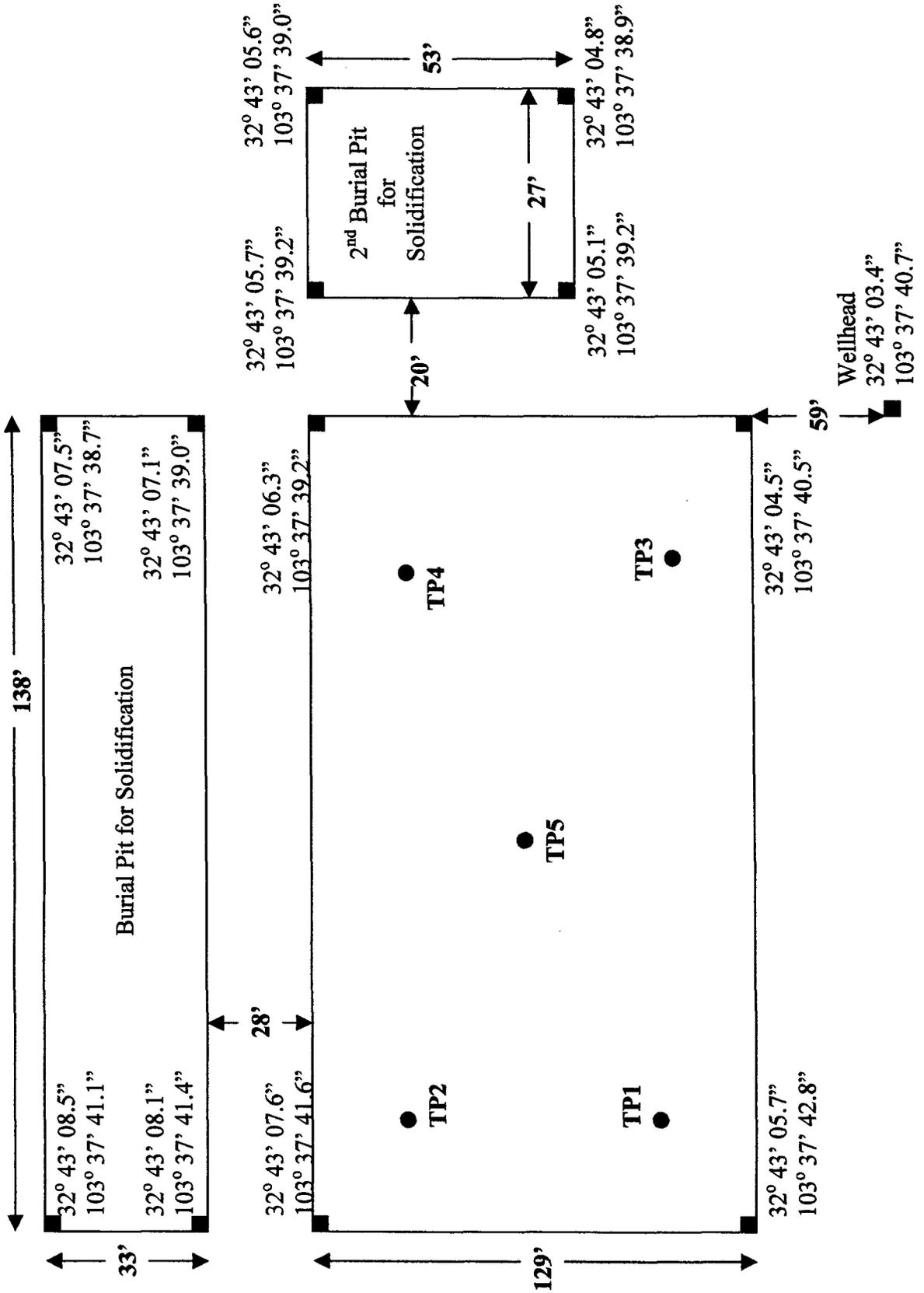
RPT# 1351



McElvain Oil & Gas

McElvain #6

UL 'L' Sec. 25 T18S R33E Lea County



Elke Environmental, Inc.

P.O. Box 14167 Odessa, TX 79768

Field Analytical Report Form

Client McElvain Oil & Gas

Analyst Robert Spangler

Site McElvain #6

Sample ID	Date	Depth	TPH / PPM	CI / PPM	PID / PPM	GPS
TP1	4-11-07	6'		2,411		32° 43' 05.9" N 103° 37' 42.4" W
TP1	4-11-07	8'		289		32° 43' 06.9" N 103° 37' 42.4" W
TP1	4-11-07	10'		176	5.1	32° 43' 05.9" N 103° 37' 42.4" W
TP2	4-11-07	6'		6,058		32° 43' 07.0" N 103° 37' 41.5" W
TP2	4-11-07	8'		593		32° 43' 07.0" N 103° 37' 41.5" W
TP2	4-11-07	10'		118	7.9	32° 43' 07.0" N 103° 37' 41.5" W
TP3	4-11-07	6'		347		32° 43' 05.0" N 103° 37' 40.4" W
TP3	4-11-07	8'		150	6.7	32° 43' 05.0" N 103° 37' 40.4" W
TP4	4-11-07	6'		2,046		32° 43' 06.4" N 103° 37' 39.7" W
TP4	4-11-07	8'		2,019		32° 43' 06.4" N 103° 37' 39.7" W
TP4	4-11-07	10'		144	6.1	32° 43' 06.4" N 103° 37' 39.7" W
TP5	4-11-07	8'		268		32° 43' 06.1" N 103° 37' 40.7" W
TP5	4-11-07	10'		265		32° 43' 06.1" N 103° 37' 40.7" W
TP5	4-11-07	12'		267		32° 43' 06.1" N 103° 37' 40.7" W
TP5	4-11-07	14'		208	3.9	32° 43' 06.1" N 103° 37' 40.7" W
Background	4-11-07			89		

McElvain Oil & Gas – McElvain #6



Drilling pit before closure operations.



12 mil liner in first burial pit.



Placing solidified drilling mud in first burial pit.

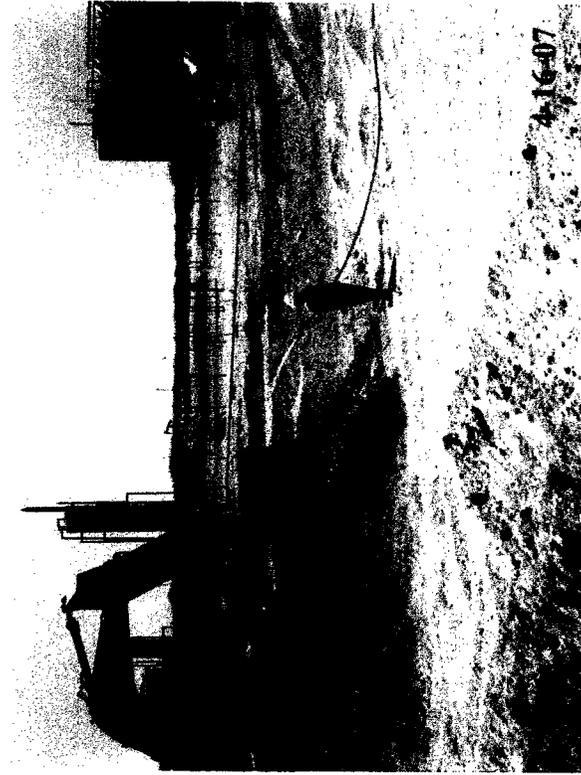


Second burial pit for solidification process.



4-11-07

Delineation trench of TP4.



4-16-07

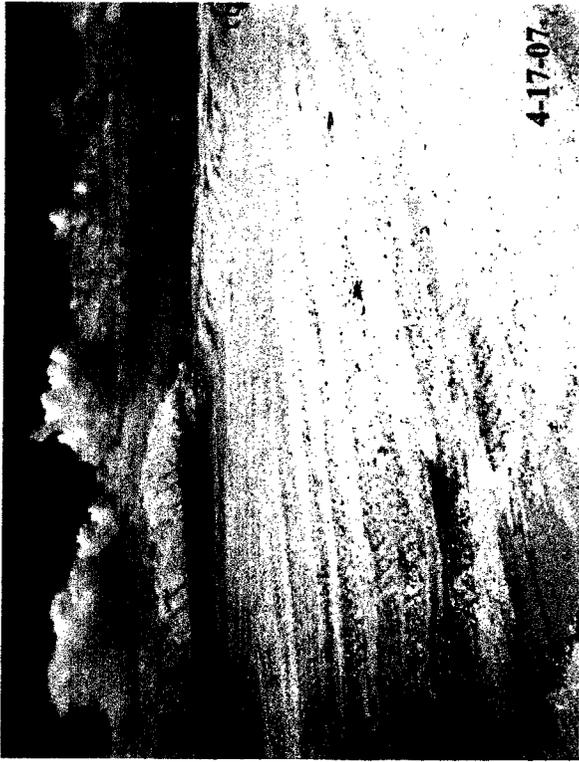
Adding water to soil for solidification process.



Placing solidified material in second burial pit.



20 mil cap on second burial pit.



4-17-07

Drilling pit after delineation ready for risk based closure.



20 mil impervious liner for risk based closure.

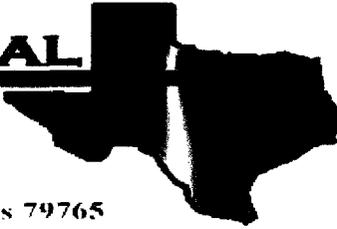


Drilling pit and burial pits after backfill and contour.



Broadcasting BLM seed #2 over the reclaimed pit and location areas.

E NVIRONMENTAL
LAB OF



12600 West I-20 East - Odessa, Texas 79765

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Analytical Report

Prepared for:

Robert Spangler

Elke Environmental

P.O. Box 14167

Odessa, TX 79768

Project: McElvain

Project Number: McElvain # 6

Location: None Given

Lab Order Number: 7D17001

Report Date: 04/24/07

Elke Environmental
P.O. Box 14167
Odessa TX, 79768

Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
TP 1 @ 10'	7D17001-01	Soil	04/11/07 12:00	04-17-2007 08:20
TP 2 @ 10'	7D17001-02	Soil	04/11/07 12:45	04-17-2007 08:20
TP 3 @ 8'	7D17001-03	Soil	04/11/07 13:20	04-17-2007 08:20
TP 4 @ 10'	7D17001-04	Soil	04/11/07 14:00	04-17-2007 08:20
TP 5 @ 14'	7D17001-05	Soil	04/11/07 15:00	04-17-2007 08:20

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Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP 1 @ 10' (7D17001-01) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	ED71803	04/18/07	04/19/07	EPA 8015M	
Carbon Ranges C12-C28	20.3	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	20.3	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		92.8 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		96.8 %	70-130		"	"	"	"	
TP 2 @ 10' (7D17001-02) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	ED71803	04/18/07	04/19/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		88.6 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		87.6 %	70-130		"	"	"	"	
TP 3 @ 8' (7D17001-03) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	ED71803	04/18/07	04/19/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		84.0 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		97.2 %	70-130		"	"	"	"	
TP 4 @ 10' (7D17001-04) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	ED71803	04/18/07	04/19/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		87.6 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		102 %	70-130		"	"	"	"	

Environmental Lab of Texas

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P.O. Box 14167
Odessa TX, 79768

Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP 5 @ 14' (7D17001-05) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	ED71803	04/18/07	04/19/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		92.6 %	70-130	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		95.6 %	70-130	"	"	"	"	"	

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Elke Environmental
P.O. Box 14167
Odessa TX, 79768

Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP 1 @ 10' (7D17001-01) Soil									
Chloride	136	5.00	mg/kg	10	ED72011	04/20/07	04/20/07	EPA 300.0	
% Moisture	11.8	0.1	%	1	ED71805	04/17/07	04/17/07	% calculation	
TP 2 @ 10' (7D17001-02) Soil									
Chloride	59.7	10.0	mg/kg	20	ED72011	04/20/07	04/20/07	EPA 300.0	
% Moisture	11.7	0.1	%	1	ED71805	04/17/07	04/17/07	% calculation	
TP 3 @ 8' (7D17001-03) Soil									
Chloride	22.5	5.00	mg/kg	10	ED72011	04/20/07	04/20/07	EPA 300.0	
% Moisture	10.9	0.1	%	1	ED71805	04/17/07	04/17/07	% calculation	
TP 4 @ 10' (7D17001-04) Soil									
Chloride	63.2	10.0	mg/kg	20	ED72011	04/20/07	04/20/07	EPA 300.0	
% Moisture	11.6	0.1	%	1	ED71805	04/17/07	04/17/07	% calculation	
TP 5 @ 14' (7D17001-05) Soil									
Chloride	34.3	5.00	mg/kg	10	ED72011	04/20/07	04/20/07	EPA 300.0	
% Moisture	1.3	0.1	%	1	ED71805	04/17/07	04/17/07	% calculation	

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Elke Environmental
P.O. Box 14167
Odessa TX, 79768

Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch ED71803 - Solvent Extraction (GC)

Blank (ED71803-BLK1) Prepared: 04/18/07 Analyzed: 04/19/07

Carbon Ranges C6-C12	ND	10.0	mg/kg wet							
Carbon Ranges C12-C28	ND	10.0	"							
Carbon Ranges C28-C35	ND	10.0	"							
Total Hydrocarbons	ND	10.0	"							
Surrogate: 1-Chlorooctane	42.2		mg/kg	50.0		84.4	70-130			
Surrogate: 1-Chlorooctadecane	48.8		"	50.0		97.6	70-130			

LCS (ED71803-BS1) Prepared: 04/18/07 Analyzed: 04/19/07

Carbon Ranges C6-C12	623	10.0	mg/kg wet	500		125	75-125			
Carbon Ranges C12-C28	523	10.0	"	500		105	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00			75-125			
Total Hydrocarbons	1150	10.0	"	1000		115	75-125			
Surrogate: 1-Chlorooctane	59.9		mg/kg	50.0		120	70-130			
Surrogate: 1-Chlorooctadecane	53.0		"	50.0		106	70-130			

Calibration Check (ED71803-CCV1) Prepared: 04/18/07 Analyzed: 04/20/07

Carbon Ranges C6-C12	234		mg/kg	250		93.6	80-120			
Carbon Ranges C12-C28	233		"	250		93.2	80-120			
Total Hydrocarbons	467		"	500		93.4	80-120			
Surrogate: 1-Chlorooctane	58.7		"	50.0		117	70-130			
Surrogate: 1-Chlorooctadecane	60.2		"	50.0		120	70-130			

Matrix Spike (ED71803-MS1) Source: 7D17001-03 Prepared: 04/18/07 Analyzed: 04/20/07

Carbon Ranges C6-C12	630	10.0	mg/kg dry	561	ND	112	75-125			
Carbon Ranges C12-C28	482	10.0	"	561	ND	85.9	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125			
Total Hydrocarbons	1110	10.0	"	1120	ND	99.1	75-125			
Surrogate: 1-Chlorooctane	54.3		mg/kg	50.0		109	70-130			
Surrogate: 1-Chlorooctadecane	49.3		"	50.0		98.6	70-130			

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P.O. Box 14167
Odessa TX, 79768

Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch ED71803 - Solvent Extraction (GC)

Matrix Spike Dup (ED71803-MSD1)

Source: 7D17001-03

Prepared: 04/18/07 Analyzed: 04/20/07

Carbon Ranges C6-C12	604	10.0	mg/kg dry	561	ND	108	75-125	3.64	20	
Carbon Ranges C12-C28	467	10.0	"	561	ND	83.2	75-125	3.19	20	
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125		20	
Total Hydrocarbons	1070	10.0	"	1120	ND	95.5	75-125	3.70	20	
Surrogate: 1-Chlorooctane	52.9		mg/kg	50.0		106	70-130			
Surrogate: 1-Chlorooctadecane	48.5		"	50.0		97.0	70-130			

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Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch ED71805 - General Preparation (Prep)										
Blank (ED71805-BLK1) Prepared & Analyzed: 04/17/07										
% Solids	99.9		%							
Duplicate (ED71805-DUP1) Source: 7D17003-04 Prepared & Analyzed: 04/17/07										
% Solids	91.0		%		89.5			1.66	20	
Duplicate (ED71805-DUP2) Source: 7D17005-03 Prepared & Analyzed: 04/17/07										
% Solids	96.7		%		97.4			0.721	20	
Duplicate (ED71805-DUP3) Source: 7D17006-04RE1 Prepared & Analyzed: 04/17/07										
% Solids	88.1		%		86.3			2.06	20	
Batch ED72011 - General Preparation (WetChem)										
Blank (ED72011-BLK1) Prepared & Analyzed: 04/20/07										
Chloride	ND	0.500	mg/kg							
LCS (ED72011-BS1) Prepared & Analyzed: 04/20/07										
Chloride	10.1	0.500	mg/kg	10.0		101	80-120			
Calibration Check (ED72011-CCV1) Prepared & Analyzed: 04/20/07										
Chloride	8.60		mg/kg	10.0		86.0	80-120			
Duplicate (ED72011-DUP1) Source: 7D13010-06 Prepared & Analyzed: 04/20/07										
Chloride	7760	100	mg/kg		8050			3.67	20	
Duplicate (ED72011-DUP2) Source: 7D17001-04 Prepared & Analyzed: 04/20/07										
Chloride	65.0	10.0	mg/kg		63.2			2.81	20	

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Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

General Chemistry Parameters by EPA / Standard Methods - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch ED72011 - General Preparation (WetChem)

Matrix Spike (ED72011-MS1) **Source: 7D13010-06** **Prepared & Analyzed: 04/20/07**

Chloride 10000 100 mg/kg 2000 8050 97.5 80-120

Matrix Spike (ED72011-MS2) **Source: 7D17001-04** **Prepared & Analyzed: 04/20/07**

Chloride 246 10.0 mg/kg 200 63.2 91.4 80-120

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Project: McElvain
Project Number: McElvain # 6
Project Manager: Robert Spangler

Fax: (432) 366-0884

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By: _____

Date: 4/24/2007

Brent Barron, Laboratory Director/Corp. Technical Director
Celey D. Keene, Org. Tech Director
Raland K. Tuttle, Laboratory Consultant

James Mathis, QA/QC Officer
Jeanne Mc Murrey, Inorg. Tech Director

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If you have received this material in error, please notify us immediately at 432-563-1800.

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Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Elke Environmental, Inc.
 Date/ Time: 4-17-07 8:20
 Lab ID #: 71017001
 Initials: al

Sample Receipt Checklist

Client Initials

Question	Yes	No	Response	Initials
#1 Temperature of container/ cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	-50 °C	
#2 Shipping container in good condition?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#3 Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Present	
#4 Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Present	
#5 Chain of Custody present?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#6 Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#7 Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#8 Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	ID written on Cont./ Lid	
#9 Container label(s) legible and intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#11 Containers supplied by ELOT?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#12 Samples in proper container/ bottle?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#13 Samples properly preserved?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#14 Sample bottles intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#15 Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#16 Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#17 Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#18 All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#19 Subcontract of sample(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	
#20 VOC samples have zero headspace?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	

Variance Documentation

Contact: _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

Corrective Action Taken:

- Check all that Apply:
- See attached e-mail/ fax
 - Client understands and would like to proceed with analysis
 - Cooling process had begun shortly after sampling event

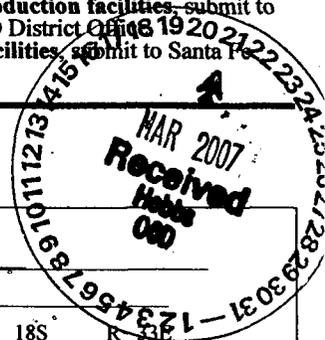
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

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: McElvain Oil & Gas Telephone: 303-893-0933 e-mail address: _____
Address: 1050 17th Street Denver, Colorado 80625
Facility or well name: McElvain #6 API #: 30-025-37948 U/L or Qtr/Qtr L Sec 25 T 18S
County: Lea Latitude 32.43.0118N Longitude 103.37.2243W NAD: 1927 1983
Surface Owner: Federal State Private Indian

Pit	Below-grade tank	
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 <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ 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 50 feet or more, but less than 100 feet 100 feet or more	(20 points) XXX (10 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 No	(20 points) (0 points) XXX
Distance to surface water: (horizontal distance to all wetlands, playas, 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) XXX
	Ranking Score (Total Points)	20 points

Handwritten in circle: LTR 25

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: All excess water will be removed. A burial pit will be constructed and lined with a 12mil impervious liner. The drilling pit contents will be mixed with Elke Environmental Solidification Product at a 20 (mud) to 1 (product) ratio to solidify the contents. After all mixed contents are placed in the burial pit, the contents will be covered with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level. The burial pit will then be covered with clean Native soil and doomed to prevent pooling. 5 bottom sample points will be taken after the pit contents are removed and a final report will be given at the end of the job. NMOCD Artesia will be notified 48 hrs before work starts.

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: 2-21-07
Printed Name/Title Logan Anderson / 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.

Printed Name/Title CHRIS WILLIAMS / DIST. SURV Signature Chris Williams Date: 3/21/07

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
20 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

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: McElvain Oil & Gas Telephone: 303-893-0933 e-mail address: reedf@mce/vain.com
 Address: 1050 17th Street Denver, Colorado 80625 - 80265
 Facility or well name: McElvain #6 API #: 30-025-37948 U/L or Qtr/Qtr L Sec 25 T 18S R 33E
 County: Lea Latitude 32.43.0118N Longitude 103.37.2243W NAD: 1927 1983
 Surface Owner: Federal State Private Indian

Pit	Below-grade tank	
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 <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ 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 50 feet or more, but less than 100 feet 100 feet or more	(20 points) XXX (10 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 No	(20 points) (0 points) XXX
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) XXX
	Ranking Score (Total Points)	20 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: (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: A burial pit was constructed and lined with a 12mil impervious liner. The drilling pit contents were mixed with Elke Environmental Solidification Product at a 20 (mud) to 1 (product) ratio to solidify the contents then placed in the burial pit, the burial pit was capped with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level then covered with clean native soil and domed to prevent pooling. The bottom of the drilling was tested and The plat map and analytical are attached. All soil containing 1,000ppm of chlorides or higher was excavated and solidified and placed in a second burial pit. The second burial Pit and the drilling pit area were capped with a 20 mil impervious liner and backfilled with clean native soil and domed to prevent pooling. The site was seeded with BLM Mixture #2.

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: 4/10/07
Printed Name/Title: E. Reed Fischer, Op Eng Signature: [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:
Printed Name/Title: L. JOHNSON - ENVIRO ENGR Signature: [Signature] Date: 6-5-07