

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  
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**

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 ☒

RECEIVED

MAR 07 2006

OCD-ARTESIA

Operator: <u>Melrose Oil &amp; Gas</u> Telephone: <u>505-513-0230</u> e-mail address: <u>gnewton@pvtnetworks.net</u>		
Address: <u>1905 W. Sears Ave. Artesia New Mexico</u>		
Facility or well name: <u>Artesia Unit # 100</u> API #: <u>30-0.15-33284</u> U/L or Qtr/Qtr <u>H</u> Sec <u>35</u> T <u>17S</u> R <u>28E</u>		
County: <u>Eddy</u> Latitude <u>2412FNL</u> Longitude <u>1269FEL</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State X Private <input type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling X 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 X Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>12,000</u> bbl	<b>Below-grade tank</b> Volume: <u>      </u> bbl Type of fluid: <u>      </u> Construction material: <u>      </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: <u>      </u>	
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) XXXX
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) XXXX
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) XXXX
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 you are burying in place) onsite X 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 X 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: Will transfer any solids from reserve pit to drilling pit. Will fold existing liner 12 mil over and cap with 20mil synthetic liner 3 ft below grade. With min. 3 ft overlap. Will backfill to grade using min. 3 ft clean soil and like material.
<u>Final Closure Notice</u>
<u>Pit Closed 2-28-06</u>

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 X, a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		
Date: <u>1/18/06</u>		
Printed Name/Title <u>Garrett L Newton</u> Production Supervisor	Signature <u>[Signature]</u>	
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 <u>      </u>	Signature <u>[Signature]</u>	Date: <u>1-18-06</u>
Accepted for record - NMOCD		

MAR 07 2006



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
TNT BACKHOE  
ATTN: RAY MARTIN  
1703 N. ROSELAWN  
ARTESIA, NM 88210  
FAX TO: (505) 746-1885

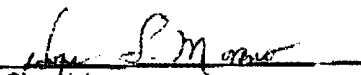
Receiving Date: 02/23/06  
Reporting Date: 02/24/06  
Project Owner: ARTESIA UNIT #1  
Project Name: MELROSE OIL & GAS  
Project Location: EDDY CO., NM

Analysis Date: 02/24/06  
Sampling Date: 02/23/06  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: LB  
Analyzed By: LB

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H10795-1	SAMPLE #1 12'	10,397
H10795-2	SAMPLE #2 16'	144
H10795-3	SAMPLE #3 OFFSITE SOUTH	112
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		0.0

METHOD: Standard Methods 4500-ClB

NOTE: Analyses performed on 1:4 w/v aqueous extracts.

  
Chemist

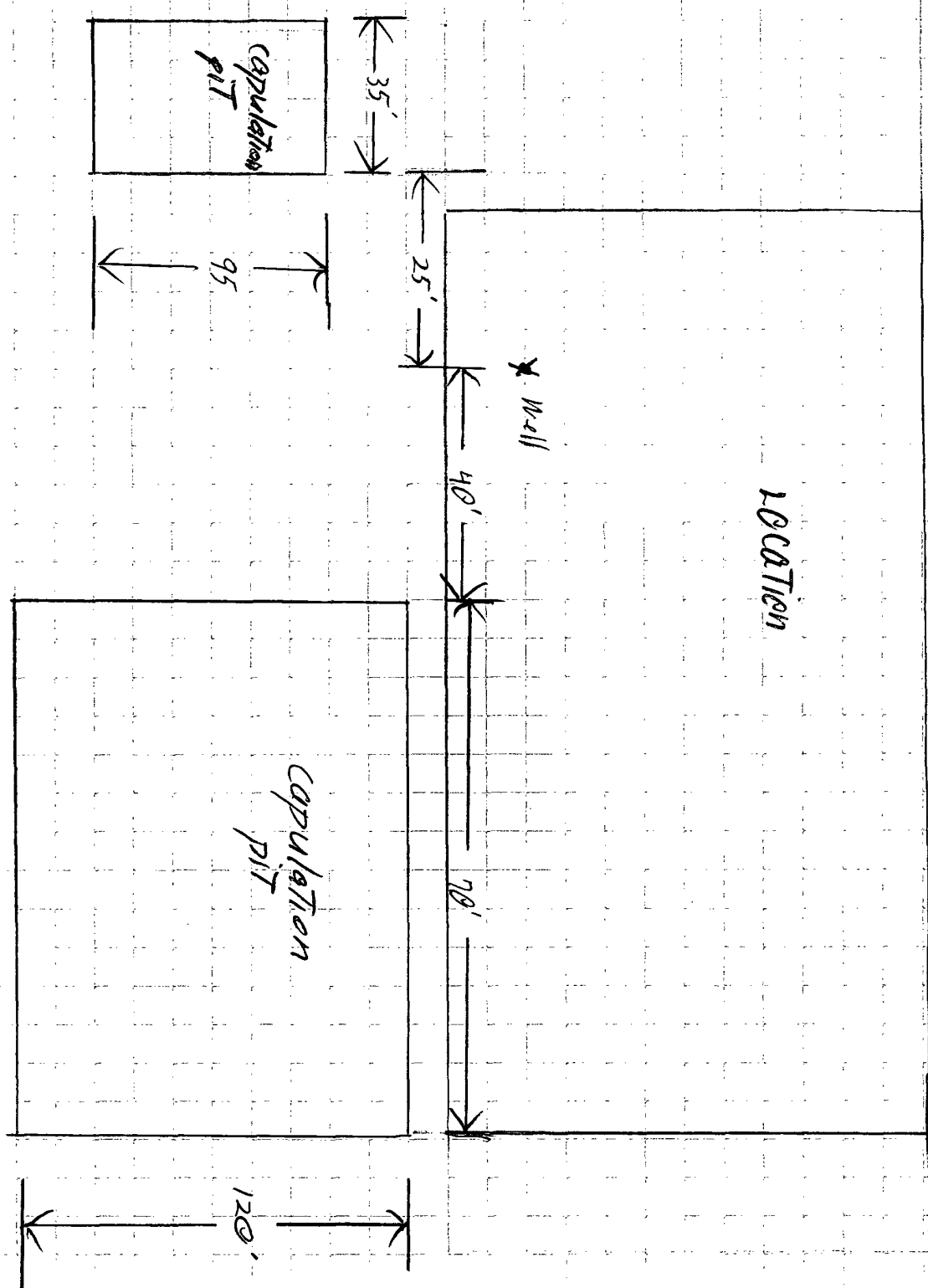
02-24-06  
Date

H10795

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 service. 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.

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Melrose Artesia Unit #100  
Complete 2-28-06



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