

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

OLD COPY

November 1, 2007

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

RE: Lancaster 9 Federal Com 001 - Final Pit Closure

**Lancaster 9 Federal Com 001**  
API: 30-015-35531  
Sec 9-T22S-R26E  
560' FNL & 660' FEL

Depth to Ground Water: 125'  
Planned Analytical Testing: Chlorides  
Site Ranking Score:  
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 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):

North	9'	1360mg/kg	South	9'	3450mg/kg
	12'	330mg/kg		12'	1850mg/kg
				15'	380mg/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 impacted material in both cells, the impacted material in the South Cell down to 15' will need to be removed and that cell lined with a 20mil liner. The impacted material that was removed will then be placed back in the lined South Cell and the impacted material down to 12' in the North Cell will also need to be placed in the lined South Cell. Once all impacted material has been encapsulated, a 20mil cap will be placed over the South Cell and backfilled as per NMOCD guidelines.

Pursuant to NMOCD Pit Rule 50 and the aforementioned stipulation, the South Cell was excavated, lined and the impacted material was placed therein. A 20mil cap was placed on top of the Insitu in the South Cell and on top of the outer Insitu trench to seal in the impacted soils and the stiffened drill cuttings. The pit area was backfilled with clean native material and contoured to the surrounding terrain.

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

Accepted for record  
NMOCD

JAN 10 2008

/sjt



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

OCT 30 2007

OGD-ARTESIA

Operator: Mewbourne Oil Telephone: (505) 593-5905 e-mail address: \_\_\_\_\_  
 Address: P.O. Box 5270 Hobbs NM 88241  
 Facility or well name: LANCASTER 9 Fed. Cont #1 API #: 36-615-35531 U/L or Qtr/Qtr A Sec 9 T. 225 R. 26E  
 County: Eddy Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ 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 (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more <u>120'</u> (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) <u>0</u> 1000 feet or more (0 points)
Ranking Score (Total Points) <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 N/A. (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 N/A ft. and attach sample results.

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

Additional Comments: Refer to Attached pit Closure Plan.

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 OCB-approved plan .

Date: 10/22/07  
 Printed Name/Title: Dusty L. Wilcox/Manager 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.

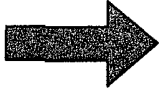
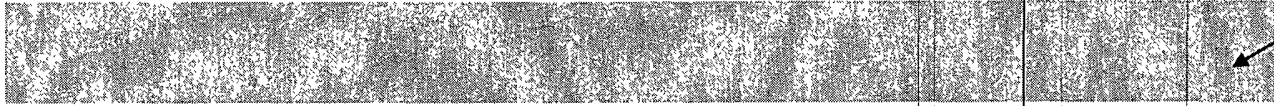
Approval: \_\_\_\_\_  
 Printed Name/Title: \_\_\_\_\_ Signature: Mike [Signature] Date: OCT 30 2007

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

If burial trench is to be constructed in pit area, samples are to be obtained and analyses submitted to OCD PRIOR to lining trench.

Lancaster 9 Federal Com 001  
Field Results  
Floor 11-01-07

Lined  
Burial  
Trench



NORTH

South Composite	North Composite		
9' 3450mg/kg 12' 1850mg/kg 15' 380mg/kg	9' 1360mg/kg 12' 330mg/kg		

Valley Energy Services, Inc.

PO Box 207  
Loving, NM 88256

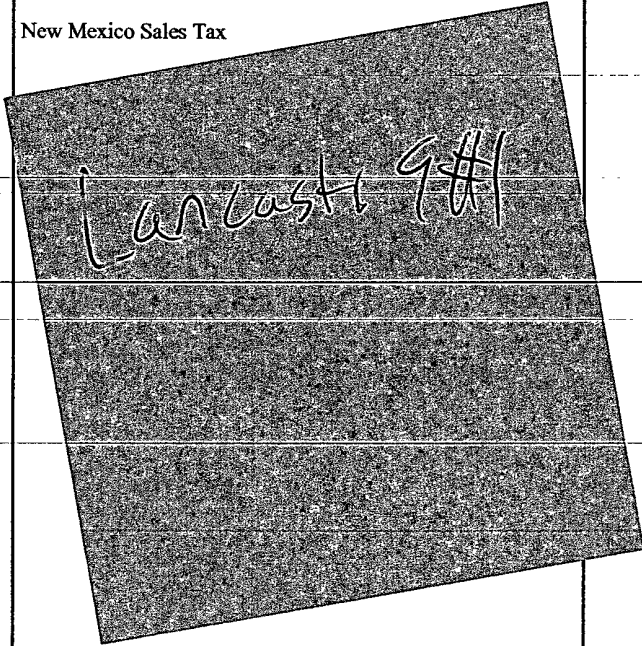
# Invoice

Date	Invoice #
11/1/2007	652

Bill To
Mewbourne Oil Company Robin Terrell PO Box 5270 Hobbs, NM 88241

Terms	Rep
Due on receipt	SJT

Location
Lancaster 9

Quantity	Item Code	Description	Price Each	Amount
4	Enviro Sampling	pulled infield analysis for delineation - contacted Mike Bratcher of the NMOCD - approval to close	70.00	280.00T
0.75	Enviro Reports		70.00	52.50T
0.5	Enviro misc	prepared, packaged and sent samples to Trace Analysis for official analyticals	70.00	35.00T
20	Mileage Charge		0.50	10.00T
		New Mexico Sales Tax	6.3125%	23.83
				
			<b>Total</b>	\$401.33



# TRACE ANALYSIS, 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

**Bill To:**    Mewbourne Oil Company  
              P. O. Box 5270  
              Hobbs, NM 88220

**Attn:**        Robin Terrell

**Invoice No. 26321**



**Lab Location:** Lubbock  
**Invoice Date:** 2007-11-15  
**Payment Due:** 2007-12-15

<b>Work Order:</b> 7110837	
<b>Project Location:</b> Eddy County, NM	
<b>Project Name:</b> Lancaster 9 Fed Com #1	

Item	Quantity	Matrix	Description	Price	Sub Total
Chloride/50% RUSH	2	soil	142298 - 142299	\$25.50	\$51.00

*Payment Terms: Net-30*

**Total**    \$51.00



Dr. Blair Leftwich, Director

## Summary Report

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

Report Date: November 14, 2007

Work Order: 7110837



Project Location: Eddy County, NM  
Project Name: Lancaster 9 Fed Com #1

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
142298	North 12'	soil	2007-11-01	13:15	2007-11-08
142299	South 15'	soil	2007-11-01	14:00	2007-11-08

**Sample: 142298 - North 12'**

Param	Flag	Result	Units	RL
Chloride		284	mg/Kg	5.00

**Sample: 142299 - South 15'**

Param	Flag	Result	Units	RL
Chloride		330	mg/Kg	5.00



# TRACEANALYSIS, INC

6701 Aberdeen Avenue, Suite 9  
200 East Sunset Road, Suite E  
5002 Basin Street, Suite A1  
8808 Camp Bowie Blvd West, Suite 180

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915•585•3443  
432•689•6301  
817•201•5260

FAX 806•794•1298  
FAX 915•585•4944  
FAX 432•689•6313  
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: November 14, 2007

Work Order: 7110837



Project Location: Eddy County, NM  
Project Name: Lancaster 9 Fed Com #1  
Project Number: Lancaster 9

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
142298	North 12'	soil	2007-11-01	13:15	2007-11-08
142299	South 15'	soil	2007-11-01	14:00	2007-11-08

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 4 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 Lancaster 9 Fed Com #1 were received by TraceAnalysis, Inc. on 2007-11-08 and assigned to work order 7110837. Samples for work order 7110837 were received intact at a temperature of 22.0 deg.C.

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

<u>Test</u>	<u>Method</u>
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 7110837 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: 142298 - North 12'**

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 43043	Date Analyzed: 2007-11-10	Analyzed By: MM
Prep Batch: 37142	Sample Preparation: 2007-11-09	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>284</b>	mg/Kg	10	5.00

**Sample: 142299 - South 15'**

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 43043	Date Analyzed: 2007-11-10	Analyzed By: MM
Prep Batch: 37142	Sample Preparation: 2007-11-09	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<b>330</b>	mg/Kg	10	5.00

**Method Blank (1)      QC Batch: 43043**

QC Batch: 43043	Date Analyzed: 2007-11-10	Analyzed By: MM
Prep Batch: 37142	QC Preparation: 2007-11-09	Prepared By: MM

Parameter	Flag	MDL Result	Units	RL
Chloride		<b>&lt;3.25</b>	mg/Kg	5

**Laboratory Control Spike (LCS-1)**

QC Batch: 43043	Date Analyzed: 2007-11-10	Analyzed By: MM
Prep Batch: 37142	QC Preparation: 2007-11-09	Prepared By: MM

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	100	mg/Kg	1	100	<3.25	100	96.1 - 103

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	100	mg/Kg	1	100	<3.25	100	96.1 - 103	0	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: 142300

QC Batch: 43043 Date Analyzed: 2007-11-10 Analyzed By: MM  
Prep Batch: 37142 QC Preparation: 2007-11-09 Prepared By: MM

Param	MS Result	Units	Dil	Spike Amount	Matrix Result	Rec	Rec. Limit
Chloride	661	mg/Kg	10	500	83.055	116	80 - 120

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	609	mg/Kg	10	500	83.055	105	80 - 120	8	20

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

**Standard (ICV-1)**

QC Batch: 43043 Date Analyzed: 2007-11-10 Analyzed By: MM

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	100	100	85 - 115	2007-11-10

**Standard (CCV-1)**

QC Batch: 43043 Date Analyzed: 2007-11-10 Analyzed By: MM

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	100	100	85 - 115	2007-11-10





NEWBOURNE OIL COMPANY  
LANCASTER "9" FEDERAL COM #1  
560' FNL & 660' FEL  
SEC. 9, T22S, R26E  
EDDY COUNTY, NEW MEXICO  
LEASE #N/M/NM117548

10/10/2007



10/10/2007

