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

Approval:

Printed Name/Title

DEPUTY ON A GAS INSTITUTOR, DIST. 428

State of New Mexico Energy Minerals and Natural Resources

For drilling and production facilities, submit to appropriate NMOCD District Office.

Ror downstream facilities, submit to Santa Fe office

Form C-144

June 1, 2004

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

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 20401 e-mail address: cdinning@merrion.bz Operator: Merrion Oil & Gas Telephone: (505)324-5326 Address: 610 Reilly Ave., Farmington, NM 87401 Facility or well name: Farmington C Com No. 1 API #: 30-045-12174 U/L or Qtr/Qtr 1625' fsl & 1250' fel, L Sec 15 T 29N R 13W NAD: 1927 🗌 1983 🔲 Surface Owner Federal 🔲 State 🔲 Private 🛛 Indian 🗍 County: San Juan Latitude Longitude_ Pit Below-grade tank Type: Drilling Production Disposal bbl Type of fluid: Produced Water Volume: 100 Construction material: Fiberglass Double-walled, with leak detection? Yes \(\square\) If not, explain why not. Lined Unlined U Liner type: Synthetic Thickness mil Clay Installed by previous operator prior to current pit regulations, closure performed to comply w/ current regulations Pit Volume _ bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal high 50 feet or more, but less than 100 feet (10 points) water elevation of ground water.) 100 feet or more (0 points) 20 Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic 0 (0 points) No water source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more (0 points) 10 **Ranking Score (Total 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 your are burying in place) onsite offsite If offsite, name of facility JFJ Landfarm . (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 ±12'_ Attach soil sample results and a diagram of sample locations and excavations Additional Comments: Pit location is approximately 80° south of west, 40' from the wellhead. Please see attached pit progress report. 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 []. Reviewed by Denny Foust, Aztec NMOCD office, and Roger Anderson, Santa Fe NMOCD office, and received verbal approval to close Date: December 20, 2004 Printed Name/Title Connie Dinning/ Production Engineer Signature

Your certification and NMOCD approval of this application/closure does not relieve the operator of manility 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

Signature

Farmington C Com No. 1 - Pit Remediation Progress Report

August 23, 2004 - (Summary to date)

Haul backhoe to location. Remove stained soil from bottom of pit approximately 7' deep. Pea gravel and sandy layer immediately below former location of fiberglass tank had hydrocarbon smell. Clay layer below sand was black and sticky with no hydrocarbon smell. North, south and west pit sides appeared clean (contaminated soil had been removed from south and west sides during Conoco remediation project). East side of pit appeared to be hydrocarbon stained from about 4' below grade to bottom of pit. Will need to excavate outside fence to determine extent of contamination to the east. "One Call" done @ noon Thursday, will resume digging outside east fenceline @ noon on Monday.

August 24, 2004

Excavated contaminated soil until it appeared to be clean. Hauled total of 7 (10 cu yd) loads to IEI Landfarm on Crouch Mesa. Checked soil w/ OVM meter in numerous locations. All readings under 100.

August 25, 2004

Collected composite soil sample from sides and composite sample from pit bottom, delivered to lab. Small amount of water seeped into pit bottom. Attempted to catch water sample.

August 26, 2004

Lab notified us that water samples were not acceptable, they did not have zero head space.

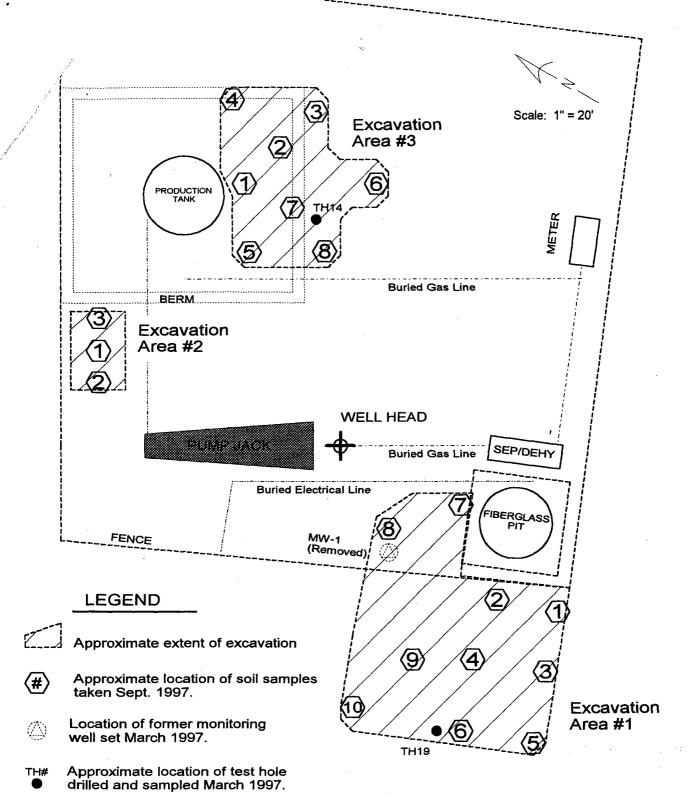
Then it rained and we didn't get back out to the location, then the water dried up, then we had to dig a bit to get some water to come in, then finally...

October 20, 2004

Collected TPH and BTEX water samples, delivered to the lab.

November 12, 2004

Received lab results. All components non-detect except TPH DRO = 0.7 mg/l.



FARMINGTON "C" COM #1 Unit L, S15, T29W, R13W SAN JUAN BASIN, NM		SITE SKETCH	ON SITE TECHNOLOGIES, LTD. P.O. BOX 2606, FARMINGTON, NM 87499		
		DRWN: 11-03-97			
PROJECT NO: 4-1373		DRWN BY: MKL	(505) 325-5667		
FIGURE: A-1	FILE: 41303S4.CAD	PROJECT: SITE RECLAMATION			

Green Analytical Laboratories, Inc. **75 Suttle Street** Durango, CO 81303

Merrion Oil & Gas 610 Reilly Ave

Farmington, NM 87401

Attention:

Connie Dinning

PROJECT NAME:

Farm C. Com #1 Pit

PROJECT NUMBER:

SAMPLE I.D.:

Bottom

GAL I.D.:

408-126-01

Date Received:

08/25/04 09/15/04

Date Reported:

QC Batches:

Sample Date:

08/25/04

Sample Matrix:

Soil

Petroleum Hydrocarbons

RESULTS

	REPORT			DATE			
PARAMETER	METHOD	LIMIT	RESULT	DIL	UNITS	ANALYZED	ANALYST
Benzene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Ethylbenzene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Toluene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Xylene, total	8021	5.0	<5.0	1	µg/kg	09/01/04	LM
TPHGRO	8015	100	<100	1	μg/kg	09/01/04	LM
TPHDRO	8015	10	87	1	mg/kg	09/08/04	LM

Green Analytical Laboratories, Inc. **75 Suttle Street** Durango, CO 81303

Merrion Oil & Gas 610 Reilly Ave

Farmington, NM 87401

Attention: Connie Dinning

PROJECT NAME:

Farm C. Com #1 Pit

PROJECT NUMBER:

SAMPLE I.D.:

Walls

GAL I.D.:

408-126-02

Date Received:

08/25/04 09/15/04

Date Reported:

QC Batches:

Sample Date:

08/25/04

Sample Matrix:

Soil

Petroleum Hydrocarbons

RESULTS

	REPORT			DATE			
PARAMETER	METHOD	LIMIT	RESULT	DIL	UNITS	ANALYZED	ANALYST
Benzene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Ethylbenzene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Toluene	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
Xylene, total	8021	5.0	<5.0	1	μg/kg	09/01/04	LM
TPHGRO	8015	100	<100	1	μg/kg	09/01/04	LM
TPHDRO	8015	10	38	1	mg/kg	09/08/04	LM

Green Analytical Laboratories, Inc. 75 Suttle Street Durango, CO 81303

Connie Dinning

GAL I.D.:

410-088-01

Date Received:

10/20/04

Date Reported:

11/04/04

QC Batches:

PROJECT NAME:

Merrion, Oil & Gas

610 Reilly Ave

Attention:

PROJECT NUMBER:

Farmington, NM 87401

SAMPLE I.D.:

Farmington C. Com #1

Water

Sample Date:

10/20/04

Sample Matrix: (

Water

Petroleum Hydrocarbons

RESULTS

REPORT				DATE			
PARAMETER	METHOD	LIMIT	RESULT	DIL	UNITS	ANALYZED	ANALYST
Benzene	8021	1.0	<1.0	1	μg/L	11/02/04	LM
Ethylbenzene	8021	1.0	<1.0	1	μg/L	11/02/04	LM
Toluene	8021	1.0	<1.0	1	μg/L	11/02/04	LM
Xylene, total	8021	1.0	<1.0	1	μg/L	11/02/04	LM
TPHGRO	8015	50	<50	1	μg/L	11/02/04	LM
TPHDRO	8015	0.5	0.7	1	mg/L	11/02/04	LM

Fon: John Green, Laboratory Manager