

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: Merrion Oil & Gas Telephone: (505) 324-5326 e-mail address: cdinning@merrion.bz

Address: 610 Reilly Ave. Farmington, NM 87401

Facility or well name: Arena Blanca 1 API #: 3003120883 U/L or Qtr/Qtr I Sec 36 T 20N R 5W

County: Mckinley Latitude 35.9194N Longitude 107.31204W NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☐ Production ☒ Disposal ☐

Workover ☐ Emergency ☐

Lined ☐ Unlined ☒

Liner type: Synthetic ☐ Thickness mil Clay ☐

Pit Volume bbl

Below-grade tank

Volume: bbl Type of fluid:

Construction material:

Double-walled, with leak detection? Yes ☐ 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) 0

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) 0

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet	(20 points) 20
200 feet or more, but less than 1000 feet	(10 points)
1000 feet or more	(0 points)

Ranking Score (Total Points)	20
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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 . (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:

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: 8/30/04

Printed Name/Title Connie Dinning/Production Engineer

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: DEPUTY OIL & GAS INSPECTOR, DIST. #8

Printed Name/Title

Signature [Signature]

Date: DEC - 9 2004

M E R R I O N

OIL & GAS

Date: 8/10/04

Lease Name: Arena Blanca # 1

Case Narrative:

In July 1996 the production pit on the Arena Blanca # 1 was excavated. The soil in the excavation was dark in color and had a hydrocarbon odor. Excavation continued until clean soil was exposed. The hydrocarbon contaminated soil from the pit excavation was land farmed on site.

Composite soil samples were taken from the sides and bottom as indicated in the attached diagram. The samples were placed on ice and taken to the lab the same day. The attached Laboratory analyses indicate that the soil samples were under the hydrocarbon contamination limit.

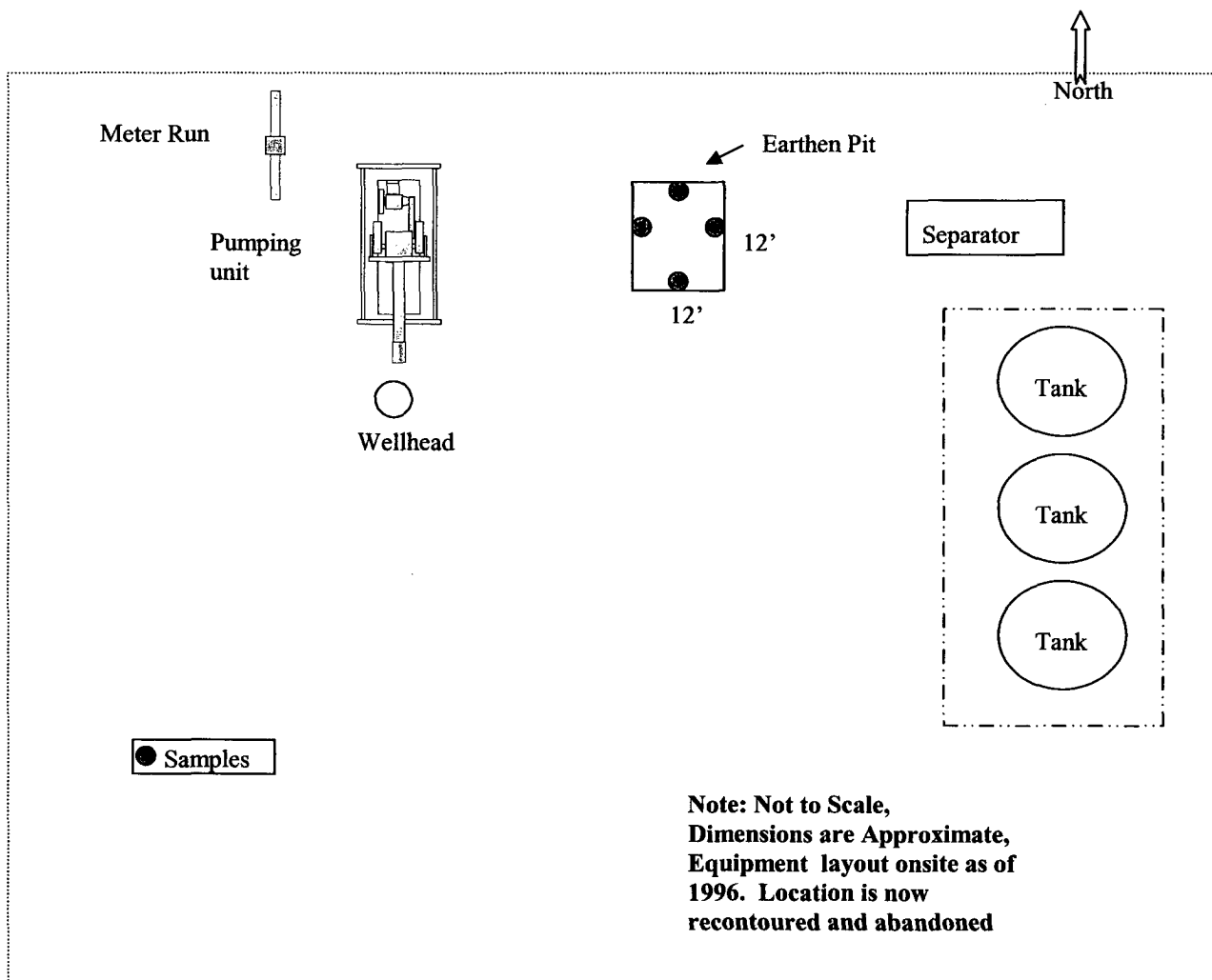
MERRION

OIL & GAS

Date: 8/6/04

Lease Name: Arena Blanca # 1

Sample Locator Diagram





TOTAL PETROLEUM HYDROCARBONS
EPA Method 418.1

Merrion Oil and Gas Corp.

Project ID: Arina Blanca #1
Sample Matrix: Soil
Preservative: Cool
Condition: Intact

Report Date: 07/16/96
Date Sampled: 07/11/96
Date Received: 07/15/96
Date Extracted: 07/16/96
Date Analyzed: 07/16/96

Sample ID	Lab ID	Concentration (mg/kg)	Detection Limit (mg/kg)
#1	4258	53.1	24.0
#2	4259	ND	25.4

ND- Analyte not detected at the stated detection limit.

Reference: Method 3550 - Sonication Extraction; Test Methods for Evaluating Solid Waste, SW-846, United States Environmental Protection Agency, September, 1986;
Method 418.1 - Petroleum Hydrocarbons, Total Recoverable; Chemical Analysis of Water and Waste, United States Environmental Protection Agency, 1978.

Comments:

Analyst

Review

Client: Merrion Oil & Gas
Project: TPH 8015
Sample ID: #1
Lab ID: 0302W04161
Matrix: Soil LANDFARM
Condition: Intact

Date Reported: 10/14/02
Date Sampled: 09/30/02
Date Received: 10/01/02
Date Extracted: N/A
Date Analyzed: 10/08/02

Parameter	Analytical Result	PQL	Units
TPH-Method 8015			
Diesel Range Organics (C10 - C22)	<5	5	mg/Kg
Gasoline Range Organics(C6-C10)	26	5	mg/Kg
Total Petroleum Hydrocarbons (C6-C22)	<100	100	mg/Kg

Quality Control - Surrogate Recovery	%	QC Limits
o-Terphenyl(SUR-8015)	130	50 - 150
4-Bromofluorobenzene(SUR-8015B)	76	50 - 150

Reference: SW-846 - "Test Methods for Evaluating Solid Waste: Physical/Chemical Methods", United States Environmental Protection Agency, November, 1986.
Method 8015AZ, C10 - C32 Hydrocarbons in Soil, Arizona Department of Health Services, Revision - 1.0, 09/25/98.

Reviewed By: Analyst: 