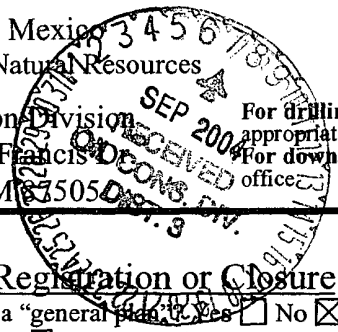
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
March 12, 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 ☒

Operator: Manana Gas, Inc. Telephone: 505-856-1084 e-mail address:
Address: 1002 Tramway Lane NE, Albuquerque, NM 87122 30-045-07940
Facility or well name: Cook 01 API #: U/L or Qtr/Qtr N Sec 22 T 29N R 11W
County: San Juan Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐
Indian ☐

Pit	Below-grade tank		
Type: Drilling ☐ Production ☒ Disposal ☐ Separator Workover ☐ Emergency ☐ Lined ☐ Unlined ☒ Liner type: Synthetic ☐ Thickness ____mil Clay ☐ Volume ____bbl	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 **Yes** 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	20
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes **Yes** No	(20 points) (0 points)	20
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet **Yes** 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	20
	Ranking Score (Total Points)		>19

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: onsite ☐ offsite ☒ If offsite, name of facility Industrial Ecosystems Inc. Soil Reclamation Center. (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 7 ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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:
Printed Name/Title As authorized agent for Manana Gas, Inc. John Hagstrom, Environmental Technician
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: SEP - 7 2004
Date:
Printed Name/Title DEPUTY OIL & GAS INSPECTOR, DIST. #3 Signature Denny Foust

SMA
CIVIL/ENVIRONMENTAL
SCIENTISTS & ENGINEERS

August 18, 2004

SMA Project: 5114769

RE: Closure and Remedial Activities for Pit Closure at the Manana Gas Location Cook 1. Unit N, Sec. 22, T 29N, R 11W, San Juan County NM.

The excavation of the separator pit began on July 5, 2004 and ended on July 13, 2004. The final excavation dimensions were approximately 50 feet long by 40 feet wide by 8 feet deep. Groundwater was encountered at approximately 7 feet BGS. Sidewalls were sampled at approximately 3 feet BGS, and a 4 point composite sample was constructed for laboratory analysis. The pit bottom was sampled in 5 places. A 5 point composite sample was constructed for laboratory analysis. Approximately 520 cy were removed and transported to the Industrial Ecosystems Landfarm.

On July 7, 2004, SMA collected 4 samples from the sidewalls and 5 samples from the excavation bottom. A sidewall composite sample was constructed and field screened using a Mini Rae 2000. The side wall composite showed a reading of 4020 units. The excavation bottom samples were combined in a composite and field screened using a Mini Rae 2000. The excavation bottom composite showed a reading of 39.8 units. Manana Gas continued to excavate the impacted area.

Manana contacted SMA on July 13, 2004, to resample the excavation. Sidewalls were sampled at approximately 3 feet BGS, and a 4-point composite sample was constructed for laboratory analysis. The pit bottom was sampled in 5 places. A 5-point composite sample was constructed for laboratory analysis. Both sidewall and pit bottom soil samples were analyzed by Method 8015B for DRO/GRO. The sidewall composite showed contaminants below reporting limits (ND). The Pit bottom composite showed contaminant levels at ND for DRO, and 13 ppm for GRO.

A groundwater sample was also collected for laboratory analysis by Methods 8021B, 300.0, 7470, and 6010C. All hydrocarbon contaminant levels are below NMOCD closure limits. The Chloride level was at 52 ppm, while mercury was ND. All recoverable metals were ND except for Barium, which showed a level of 0.049 ppm

For safety reasons the pit has been backfilled using clean native soils. See site sketch for sample points.

Respectfully submitted,

John Hagstrom
Environmental Technician
Souder, Miller and Associates

Hall Environmental Analysis Laboratory

Date: *27-Jul-04*

CLIENT:	iina ba, Ltd	**Client Sample ID:**	0407031-001A
Lab Order:	0407137	**Tag Number:**	
Project:	0407031	**Collection Date:**	7/13/2004 8:50:00 AM
Lab ID:	0407137-01A SIDEWALL 4PT @ 3'BGS	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE						Analyst: JMP
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	7/19/2004 5:13:55 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	7/19/2004 5:13:55 PM
Surr: DNOP	93.7	60-124		%REC	1	7/19/2004 5:13:55 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: NSB
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	7/22/2004 12:52:15 AM
Surr: BFB	101	74-118		%REC	1	7/22/2004 12:52:15 AM

Qualifiers:

ND - Not Detected at the Reporting Limit

J - Analyte detected below quantitation limits

B - Analyte detected in the associated Method Blank

* - Value exceeds Maximum Contaminant Level

S - Spike Recovery outside accepted recovery limits

R - RPD outside accepted recovery limits

E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *27-Jul-04*

CLIENT:	iina ba, Ltd	**Client Sample ID:**	0407031-002A
Lab Order:	0407137	**Tag Number:**	
Project:	0407031	**Collection Date:**	7/13/2004 9:05:00 AM
Lab ID:	0407137-02A PIT BOTTOM 5PT @ 7'BGS	**trix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE						Analyst: JMP
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	7/19/2004 5:45:49 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	7/19/2004 5:45:49 PM
Surr: DNOP	115	60-124		%REC	1	7/19/2004 5:45:49 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: NSB
Gasoline Range Organics (GRO)	13	5.0		mg/Kg	1	7/22/2004 1:23:38 AM
Surr: BFB	106	74-118		%REC	1	7/22/2004 1:23:38 AM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *27-Jul-04*

CLIENT:	iina ba, Ltd	**Client Sample ID:**	0407031-003A
Lab Order:	0407137	**Tag Number:**	
Project:	0407031	**Collection Date:**	7/13/2004 9:20:00 AM
Lab ID:	0407137-03A COOK 1	**Matrix:**	AQUEOUS

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8021B: VOLATILES						Analyst: NSB
Methyl tert-butyl ether (MTBE)	ND	2.5		µg/L	1	7/20/2004 9:38:05 PM
Benzene	2.3	0.50		µg/L	1	7/20/2004 9:38:05 PM
Toluene	ND	0.50		µg/L	1	7/20/2004 9:38:05 PM
Ethylbenzene	1.7	0.50		µg/L	1	7/20/2004 9:38:05 PM
Xylenes, Total	12	0.50		µg/L	1	7/20/2004 9:38:05 PM
Surr: 4-Bromofluorobenzene	105	74-118		%REC	1	7/20/2004 9:38:05 PM

Qualifiers:

- ND - Not Detected at the Reporting Limit
- J - Analyte detected below quantitation limits
- B - Analyte detected in the associated Method Blank
- * - Value exceeds Maximum Contaminant Level
- S - Spike Recovery outside accepted recovery limits
- R - RPD outside accepted recovery limits
- E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *27-Jul-04*

CLIENT:	iina ba, Ltd	**Client Sample ID:**	0407031-003B
Lab Order:	0407137	**Tag Number:**	
Project:	0407031	**Collection Date:**	7/13/2004 9:20:00 AM
Lab ID:	0407137-03B COOK 1	**Matrix:**	AQUEOUS

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 300.0: ANIONS						Analyst: **MAP**
Chloride	52	5.0		mg/L	50	7/19/2004 11:22:23 AM

Qualifiers:	ND - Not Detected at the Reporting Limit	S - Spike Recovery outside accepted recovery limits
	J - Analyte detected below quantitation limits	R - RPD outside accepted recovery limits
	B - Analyte detected in the associated Method Blank	E - Value above quantitation range
	* - Value exceeds Maximum Contaminant Level	

Hall Environmental Analysis Laboratory

Date: *27-Jul-04*

CLIENT:	iina ba, Ltd	**Client Sample ID:**	0407031-003C
Lab Order:	0407137	**Tag Number:**	
Project:	0407031	**Collection Date:**	7/13/2004 9:20:00 AM
Lab ID:	0407137-03C COOK 1	**Matrix:**	AQUEOUS

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 7470: MERCURY						Analyst: IC
Mercury	ND	0.00020		mg/L	1	7/23/2004
EPA 6010C: TOTAL RECOVERABLE METALS						Analyst: NMO
Arsenic	ND	0.020		mg/L	1	7/21/2004 8:21:00 AM
Barium	0.049	0.020		mg/L	1	7/20/2004 2:56:09 PM
Cadmium	ND	0.0020		mg/L	1	7/20/2004 2:56:09 PM
Chromium	ND	0.0060		mg/L	1	7/20/2004 2:56:09 PM
Lead	ND	0.0050		mg/L	1	7/20/2004 2:56:09 PM
Selenium	ND	0.050		mg/L	1	7/21/2004 8:21:00 AM
Silver	ND	0.0050		mg/L	1	7/20/2004 2:56:09 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

SUBJECT Cook 1 PROJECT 5114709 PAGE 1

CLIENT Mannon Gas DATE 7/7/04 BY JPM

NTS CHECKED BY