

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1304 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: Canyon Largo Unit No. 299 API #: 30-039-22439 U/L or Qtr/Qtr sw/se Sec 3 T 24N R 6W
County: Rio Arriba Latitude _____ Longitude _____ 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 289 bbl 18' X 18' X 5' (Size estimated)

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)

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

(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)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

10

Ranking Score (Total Points)

30

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 _____. (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: Pit location is approximately 25° north of east, 70' from the wellhead.

Originally dug out earthen pit to fit a fiberglass pit in excavation. At P&A of the well, the fiberglass pit was removed and the pit was backfilled with no record of soil testing.

On September 9, 2004, the pit location was augered and sampled according to the attached report. The sample collection procedure and the sample results are attached.

Denny Foust from the Aztec NMOCD office verbally approved the auger sample collection and testing procedure. This form was originally submitted as a pit registration. It is being resubmitted as a final closure.

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: December 20, 2005

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. 3

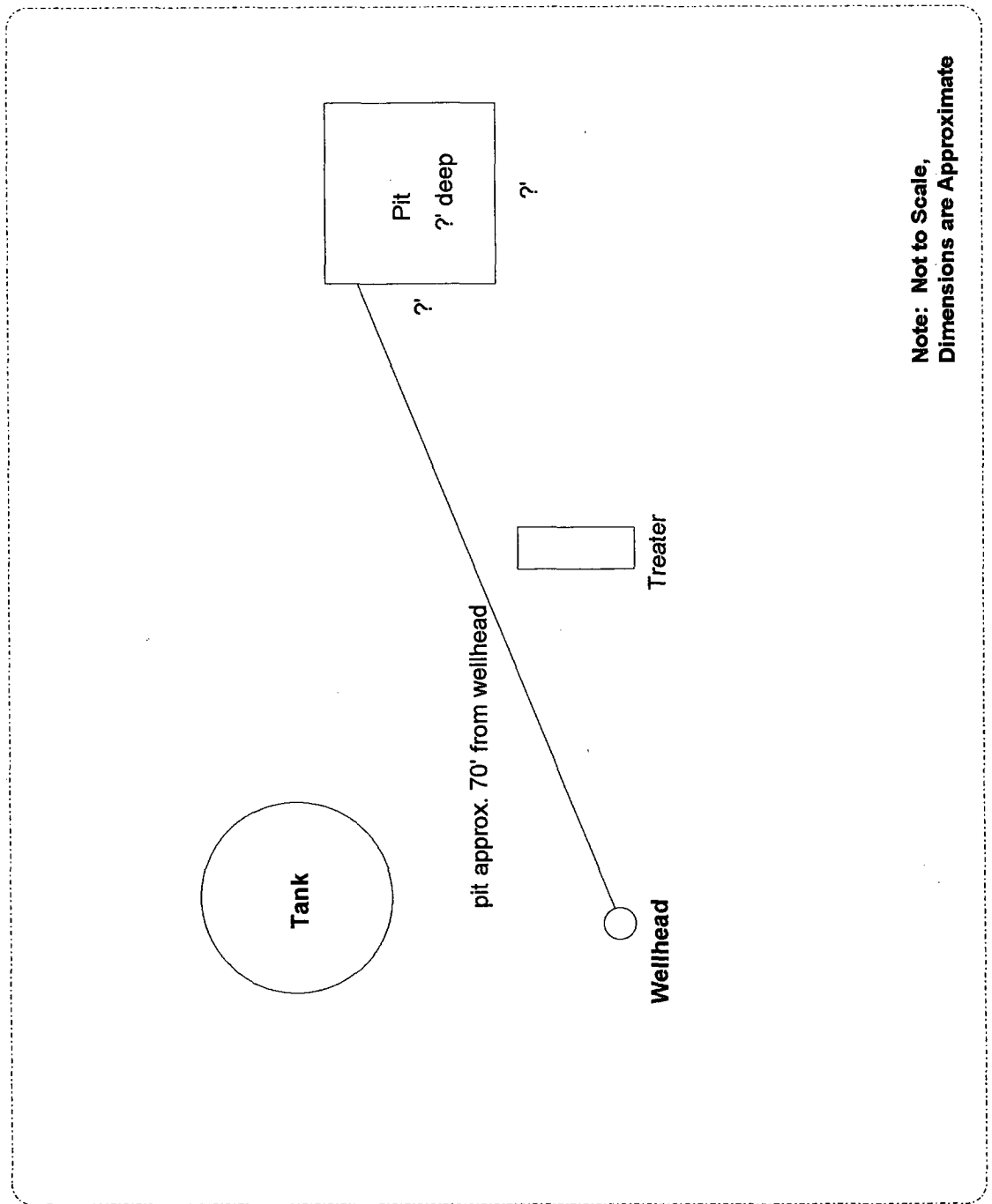
Printed Name/Title

Signature [Signature]

Date:

DEC 22 2005

Merrion Oil & Gas CLU #299 Site Schematic



**Note: Not to Scale,
Dimensions are Approximate**



#4A C.R. 3499
Flora Vista, New Mexico 87415
(505) 334-2900 Fax: (505) 334-9703

October 1, 2004

Ms. Connie Dinning
Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, NM 87401

**Regarding: Results of Analytical Testing
Confirmatory Pit Sampling
San Juan County, New Mexico
Terracon Project No. 69047044**

Dear Ms. Dinning:

Terracon is pleased to submit to Merrion Oil and Gas (Merrion) the results of the soil sampling conducted five (5) Pit Closure locations in San Juan County, New Mexico.

On September 9, 2004, Terracon personnel collected soil samples at five individual pit locations in San Juan County, New Mexico. Samples were collected using a 2-inch diameter stainless steel hand auger equipped with 15 feet of auger shaft. Soil borings were advanced to depths ranging from 10 to 13 feet below ground surface (bgs) and one sample was collected from the terminus of each boring. Organic vapors were monitored at specified intervals throughout the advancement of each boring, using a MiniRae Systems Organic Vapor Meter / Photoionization Detector (OVM / PID) and the heated headspace method. Results of the vapor monitoring are included as Table 1.

TABLE 1: ORGANIC VAPOR MONITORING RESULTS

Sample I.D.	Sample Depth (bgs)	OVM Readings
CLU 299	5.0 feet	1.4 ppm
	10.0 feet	2.7 ppm
CLU 299-2	5.0 feet	2.2 ppm
	10.0 feet	1.7 ppm
CLU 298	5.0 feet	1.8 ppm
	10.0 feet	3.2 ppm
CLU 298-2	5.0 feet	1.9 ppm
	10.0 feet	4.2 ppm
185	6.0 feet	1.7 ppm
	13.0 feet	3.8 ppm

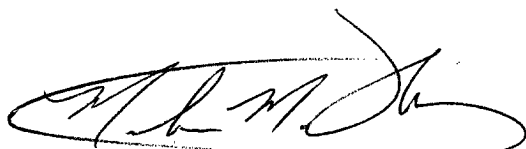
The soil samples were stored on ice in an insulated cooler immediately after collection until delivery to Hall Environmental Analysis Laboratory, located in Albuquerque, New Mexico. Samples were analyzed for benzene, toluene, ethyl benzene, xylenes (BTEX) per USEPA Method 8021B Modified, and total petroleum hydrocarbons / diesel range organics (TPH/DRO) and gasoline range organics (TPH/GRO) per USEPA Method 8015 Modified (Direct Inject). Analytical results indicated the presence of low-level diesel range organics in soil boring locations CLU 299-2 and CLU 298 with concentrations of 36 mg/Kg and 26 mg/Kg, respectively.

The remaining soil borings and parameters analyzed were below laboratory detection limits. The laboratory analytical report and Chain of Custody (COC) forms documenting sample identification numbers, collection times, and delivery times to the laboratory are attached.

We appreciate the opportunity to be of service to you on this project and look forward to working with you in the future. If you have any questions or if we may be of further assistance please contact us at 505.334.2900.

Sincerely,
TERRACON

Prepared by:



Melissa M. Housey, P.G.
Environmental Project Manager



Mary E. Wells, P.E.
Senior Engineer

Attachments: Hall Environmental Analysis Laboratory Results

Distribution: Addressee (1)

Hall Environmental Analysis Laboratory

Date: 27-Sep-04

CLIENT: Terracon

Client Sample ID: CLU 299

Lab Order: 0409099

Collection Date: 9/9/2004 10:45:00 AM

Project: Merrion Oil & Gas Pit Sampling

Lab ID: 0409099-01

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	9/14/2004 2:25:46 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	9/14/2004 2:25:46 PM
Surr: DNOP	90.9	60-124		%REC	1	9/14/2004 2:25:46 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: NSB
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	9/14/2004 6:19:28 PM
Surr: BFB	95.6	74-118		%REC	1	9/14/2004 6:19:28 PM
EPA METHOD 8021B: VOLATILES						Analyst: NSB
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	9/14/2004 6:19:28 PM
Benzene	ND	0.025		mg/Kg	1	9/14/2004 6:19:28 PM
Toluene	ND	0.025		mg/Kg	1	9/14/2004 6:19:28 PM
Ethylbenzene	ND	0.025		mg/Kg	1	9/14/2004 6:19:28 PM
Xylenes, Total	ND	0.025		mg/Kg	1	9/14/2004 6:19:28 PM
Surr: 4-Bromofluorobenzene	97.6	74-118		%REC	1	9/14/2004 6:19:28 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-Sep-04

CLIENT: Terracon

Client Sample ID: CLU 299-2

Lab Order: 0409099

Collection Date: 9/9/2004 11:10:00 AM

Project: Merrion Oil & Gas Pit Sampling

Lab ID: 0409099-02

Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE						Analyst: JMP
Diesel Range Organics (DRO)	36	10		mg/Kg	1	9/14/2004 2:59:16 PM
Motor Oil Range Organics (MRO)	92	50		mg/Kg	1	9/14/2004 2:59:16 PM
Surr: DNOP	84.9	60-124		%REC	1	9/14/2004 2:59:16 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: NSB
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	9/14/2004 6:49:16 PM
Surr: BFB	101	74-118		%REC	1	9/14/2004 6:49:16 PM
EPA METHOD 8021B: VOLATILES						Analyst: NSB
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	9/14/2004 6:49:16 PM
Benzene	ND	0.025		mg/Kg	1	9/14/2004 6:49:16 PM
Toluene	ND	0.025		mg/Kg	1	9/14/2004 6:49:16 PM
Ethylbenzene	ND	0.025		mg/Kg	1	9/14/2004 6:49:16 PM
Xylenes, Total	ND	0.025		mg/Kg	1	9/14/2004 6:49:16 PM
Surr: 4-Bromofluorobenzene	102	74-118		%REC	1	9/14/2004 6:49:16 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