

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

October 17, 2007

JAN 10 2008

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

Accepted for record
NMOCD



RE: Rifle Range 33 State Com 001 - Final Pit Closure

Rifle Range 33 State Com 001

API: 30-015-34457

Sec 33-T21S-R26E

1980' F SL & 660' FEL

Depth to Ground Water: 100'

Planned Analytical Testing: Chlorides

Site Ranking Score: 0 (zero)

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 20mil 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):

Q1	8' 1400mg/kg 11' 180mg/kg	Q2	8' 1250mg/kg 11' 210mg/kg	Q3	8' 6000mg/kg 11' 6000mg/kg 13' 980mg/kg 16' 100mg/kg
Q4	8' 1890mg/kg 11' 2310mg/kg 13' 5350mg/kg 16' 2700mg/kg 19' 220mg/kg	Q5	8' 9000mg/kg 11' 9000mg/kg 13' 12450mg/kg 16' 3000mg/kg 19' 100mg/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 stipulations:

With the depth to groundwater being 100'+/-, additional material will need to be excavated from the impacted area. The impacted material in Section "Q3" needs to be excavated to a depth of 14', impacted material in Section "Q4" and "Q5" needs to be excavated to 17'. The remaining material left in the entire drill pit will be blended to a chloride level of less than 500mg/kg. After excavation of the impacted material, the floor will be resampled to verify all impacted soils above 500mg/kg have been removed. Impacted material will be placed into the lined Insitu trench until a 3' freeboard has been reached. Once the 3' freeboard is reached, the remaining material will be excavated and hauled to an approved disposal facility. A 20mil cap will be placed over the Insitu trench. Upon removal of required impacted material, a 20mil cap will be placed over the entire drill pit floor which has been domed in the center for water shed.

Pursuant to NMOCD Pit Rule 50, a 20mil liner was placed on top of the Insitu trench to seal in the impacted soils and the stiffened drill cuttings. The soils in sections "Q3", "Q4" and "Q5" were removed per the aforementioned stipulation and the remaining material was blended with surrounding material per the aforementioned stipulation. The area was retested and found to be within the NMOCD acceptable



chloride levels. A copy of the field delineation results from the blending has been attached. Material was built up in the center into a dome and a 20mil plastic liner was placed across the entire pit floor. In addition, the pit was backfilled with clean native material and contoured to the surrounding terrain with water diversion burns placed to stave off erosion.

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,

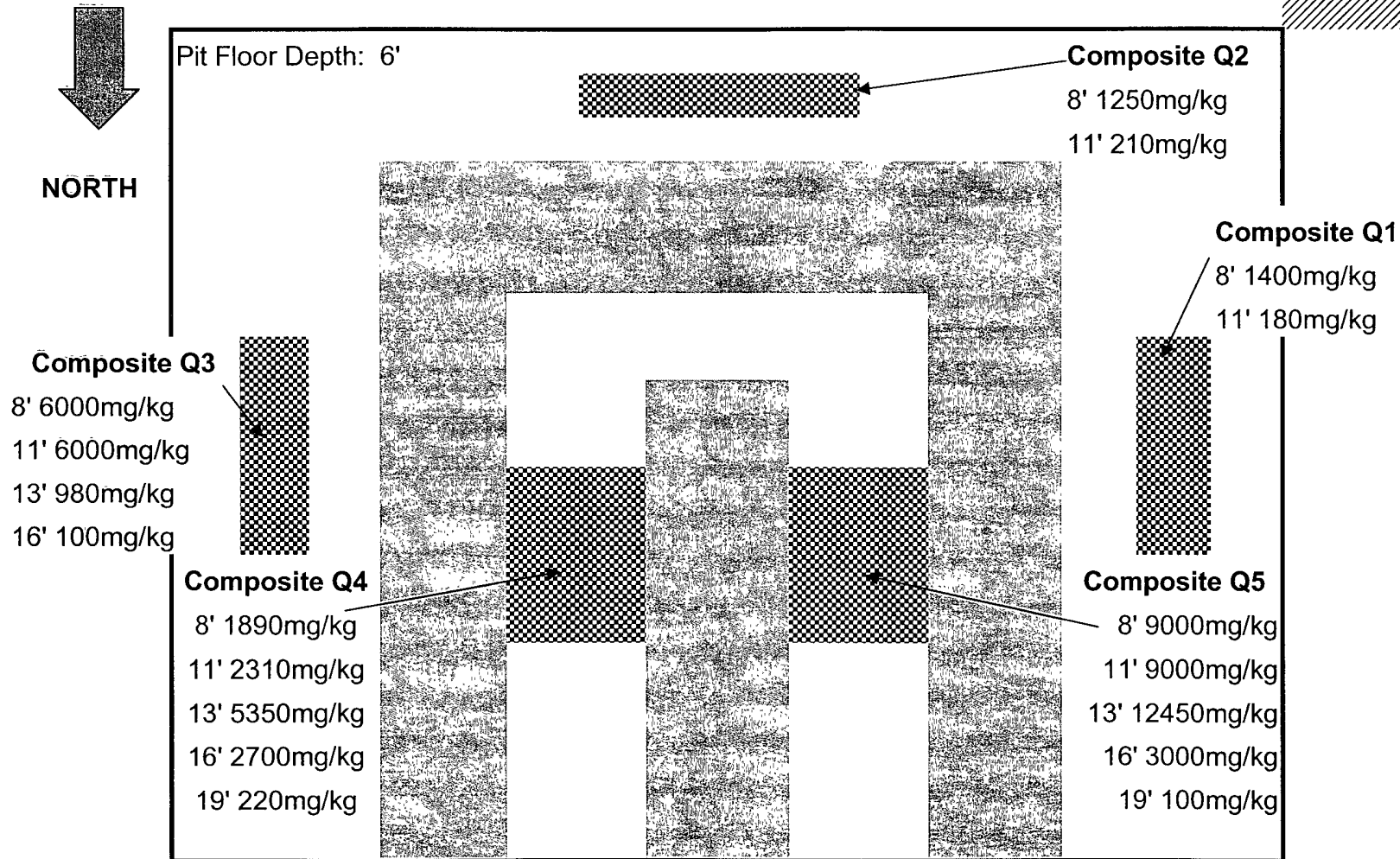
A handwritten signature in black ink, appearing to read 'Robin Terrell', with a stylized, flowing script.

Robin Terrell
Production Engineer

/sjt

Rifle Range 33 State Com 001
Field Results
Floor 10-03-07

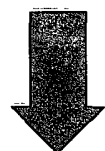
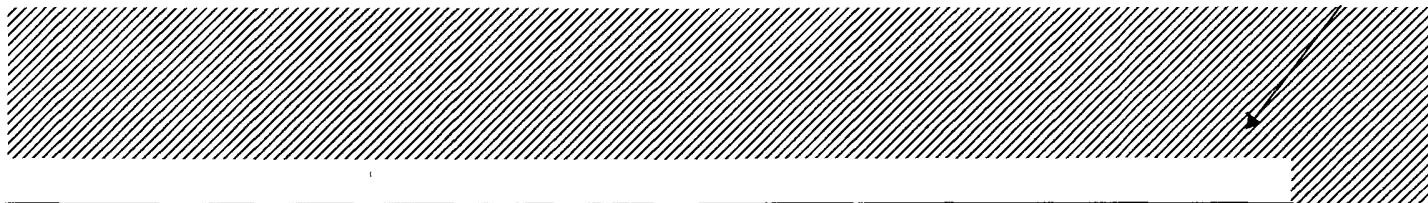
Lined
Burial
Trench



*** NOTE: AT 16' EXCAVATED INTO A GOOD CLAY LAYER

Rifle Range 33 State Com 001
Field Results
Floor 10-17-07

Lined
Burial
Trench

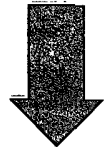
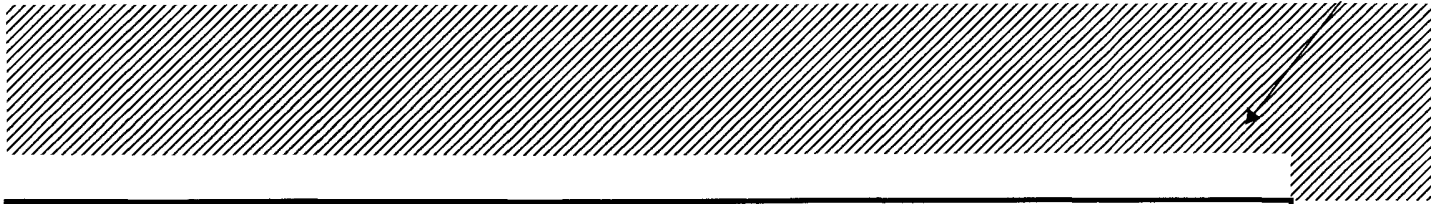


NORTH

Pit Floor Depth: 12'	
Southeast Composite Surface: 460mg/kg 14' 190mg/kg	Southwest Composite Surface: 1400mg/kg 14' 200mg/kg
Northeast Composite Surface: 3600mg/kg 14' 800mg/kg 17' 490mg/kg	Northwest Composite Surface: 3200mg/kg 14' 1300mg/kg 17' 180mg/kg

Rifle Range 33 State Com 001
Field Results
Floor 10-16-07

Lined
Burial
Trench



NORTH

Pit Floor Depth: 15'	
Southeast Composite Surface: 460mg/kg	Southwest Composite Surface: 1400mg/kg
Northeast Composite Surface: 3600mg/kg	Northwest Composite Surface: 3200mg/kg

Valley Energy Services, Inc.

PO Box 207
Loving, NM 88256

Invoice

Date	Invoice #
10/3/2007	626

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

Terms	Rep
Due on receipt	SJT

Location
Rifle Range 33 State 001

Quantity	Item Code	Description	Price Each	Amount
4	Enviro Sampling	pulled infield analysis for delineation, contacted Mike Bratcher for approval to close, approval granted with stipulations	65.00	260.00T
0.5	Enviro Reports		65.00	32.50T
0.5	Enviro misc	prepared, packaged and sent samples to Trace Analysis for official analyticals	65.00	32.50T
20	Mileage Charge		0.50	10.00T
2	Enviro Consulting	10-4-07 - onsite evaluation - water in pit area - source of water from new pipeline flush up the hill; meeting with Robin and Joe (Sweat) RE: closure plan	65.00	130.00T
		New Mexico Sales Tax	6.3125%	29.35
			Total	\$494.35

Valley Energy Services, Inc.

PO Box 207
Loving, NM 88256

Invoice

Date	Invoice #
10/16/2007	639

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

Terms	Rep
Due on receipt	SJT

Location
Rifle Range 33-1

Quantity	Item Code	Description	Price Each	Amount
2	Enviro Sampling	pulled infield samples - additional blending required New Mexico Sales Tax	65.00 6.3125%	130.00T 8.21
			Total	\$138.21

Valley Energy Services, Inc.

PO Box 207
Loving, NM 88256

Invoice

Date	Invoice #
10/17/2007	641

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

Terms	Rep
Due on receipt	SJT

Location
Rifle Range 33 State 001

Quantity	Item Code	Description	Price Each	Amount
3	Enviro Sampling	Pulled infield samples for delineation; contacted Mike Bratcher of the NMOCD - approval was granted with stipulations	65.00	195.00T
0.75	Enviro Reports		65.00	48.75T
		New Mexico Sales Tax	6.3125%	15.39
			Total	\$259.14

Analytical Report

Sample: 138575 - Q1-11'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41859	Date Analyzed:	2007-10-08	Analyzed By:	ER
Prep Batch:	36153	Sample Preparation:	2007-10-08	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		133	mg/Kg	10	5.00

Sample: 138576 - Q2-11'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41859	Date Analyzed:	2007-10-08	Analyzed By:	ER
Prep Batch:	36153	Sample Preparation:	2007-10-08	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		137	mg/Kg	10	5.00

Sample: 138577 - Q3-16'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41859	Date Analyzed:	2007-10-08	Analyzed By:	ER
Prep Batch:	36153	Sample Preparation:	2007-10-08	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		130	mg/Kg	20	5.00

Sample: 138578 - Q4-20'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41859	Date Analyzed:	2007-10-08	Analyzed By:	ER
Prep Batch:	36153	Sample Preparation:	2007-10-08	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		194	mg/Kg	20	5.00

Sample: 138579 - Q5-19'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41859	Date Analyzed:	2007-10-08	Analyzed By:	ER
Prep Batch:	36153	Sample Preparation:	2007-10-08	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		123	mg/Kg	20	5.00

Method Blank (1) QC Batch: 41859

QC Batch: 41859 Date Analyzed: 2007-10-08 Analyzed By: ER
Prep Batch: 36153 QC Preparation: 2007-10-08 Prepared By: ER

Parameter	Flag	MDL Result	Units	RL
Chloride		<3.25	mg/Kg	5

Laboratory Control Spike (LCS-1)

QC Batch: 41859 Date Analyzed: 2007-10-08 Analyzed By: ER
Prep Batch: 36153 QC Preparation: 2007-10-08 Prepared By: ER

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec	Rec. Limit
Chloride	100	mg/Kg	1	100	<3.25	100	90 - 110

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	99.8	mg/Kg	1	100	<3.25	100	90 - 110	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: 138570

QC Batch: 41859 Date Analyzed: 2007-10-08 Analyzed By: ER
Prep Batch: 36153 QC Preparation: 2007-10-08 Prepared By: ER

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec	Rec. Limit
Chloride	¹ 405	mg/Kg	20	2000	253.237	8	84.6 - 117

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	² 403	mg/Kg	20	2000	253.237	7	84.6 - 117	0	20

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

¹Matrix spike recovery out of control limits due to matrix interference. Use LCS/LCSD to demonstrate analysis is under control.

²Matrix spike recovery out of control limits due to matrix interference. Use LCS/LCSD to demonstrate analysis is under control.

Standard (ICV-1)

QC Batch: 41859

Date Analyzed: 2007-10-08

Analyzed By ER

Param	Flag	Units	ICVs True Conc	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	99.6	100	85 - 115	2007-10-08

Standard (CCV-1)

QC Batch: 41859

Date Analyzed: 2007-10-08

Analyzed By ER

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	2007-10-08

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
June 1, 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

III 31 2007

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

OCD-ARTESIA

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>Melbourne Oil Co.</u> Telephone: <u>505-393-5915</u> e-mail address: _____				
Address: <u>701 S. Cecil Hobbs n.m. 88840</u>				
Facility or well name: <u>Rifle Range 33#1</u> API #: <u>20-015-34457</u> U/L or Qr/Qtr: <u>I</u> Sec: <u>33</u> T: <u>21</u> S: <u>R26</u> IE: _____				
County: <u>Sandoz</u> Latitude: _____ Longitude: _____ NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/>				
Surface Owner: Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>				
<table border="1"> <tr> <td> Pit 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 <u>5000</u> bbl </td> <td> Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____ </td> </tr> </table>			Pit 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 <u>5000</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
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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) <u>100 feet or more</u> (0 points) <u>150'</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) <u>No</u> (0 points)			
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) <u>200 feet or more, but less than 1000 feet</u> (10 points) 1000 feet or more (0 points)			
Ranking Score (Total Points)		<u>10</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: _____. (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: Closure work plan for drilling pit. Category 2 location: The drilling pit contents will be excavated from the pit area.

Knowledge of contamination: the soil will be tested by lab and if contamination is confirmed, further remediation will be conducted according to guidelines. A trench will be installed. The trench will be lined with a 20-mil impervious liner and the excavated material will be placed on top and encapsulated.

The excavated pit will be backfilled with clean soil and the pit area as well as the trench will be covered and contoured with three feet of soil or like material capable of supporting native plant growth to prevent erosion and ponding of rainwater.

A one call and a 48 hour notice will be provided to the Oil Conservation Division.

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: 7-30-07 Printed Name/Title: JEFF RAINES, AGENT - MEDIANE 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: _____

Signed By: [Signature]

Date: AUG 08 2007

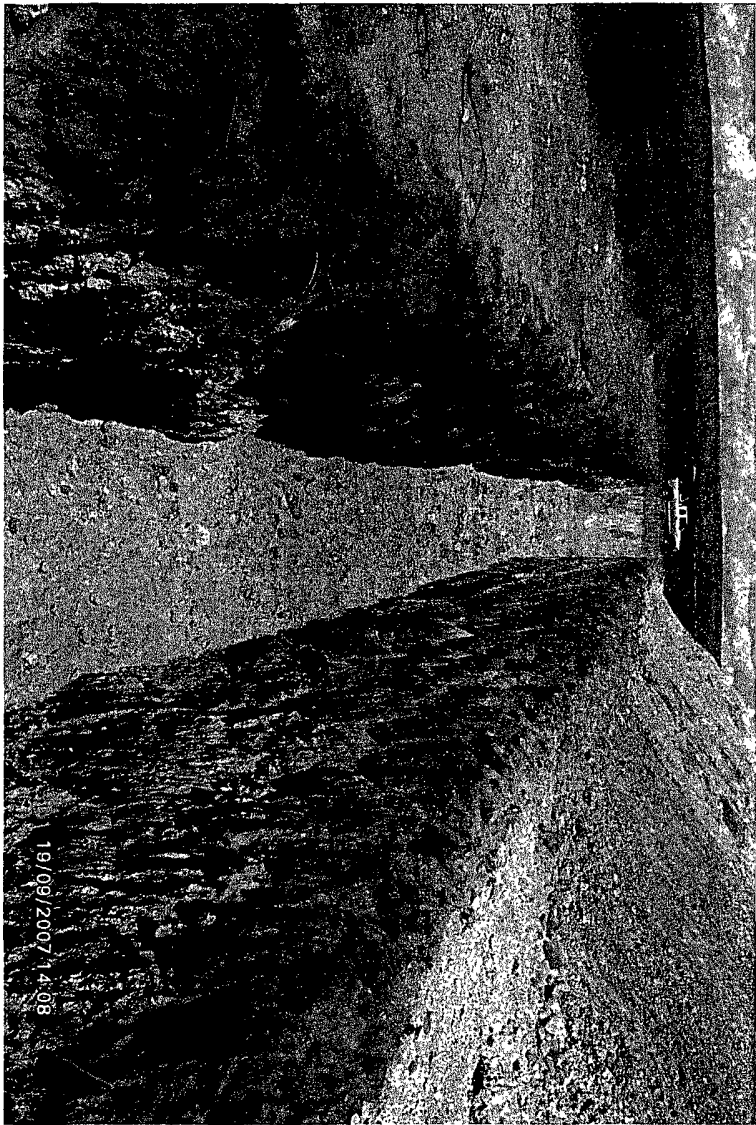
NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR

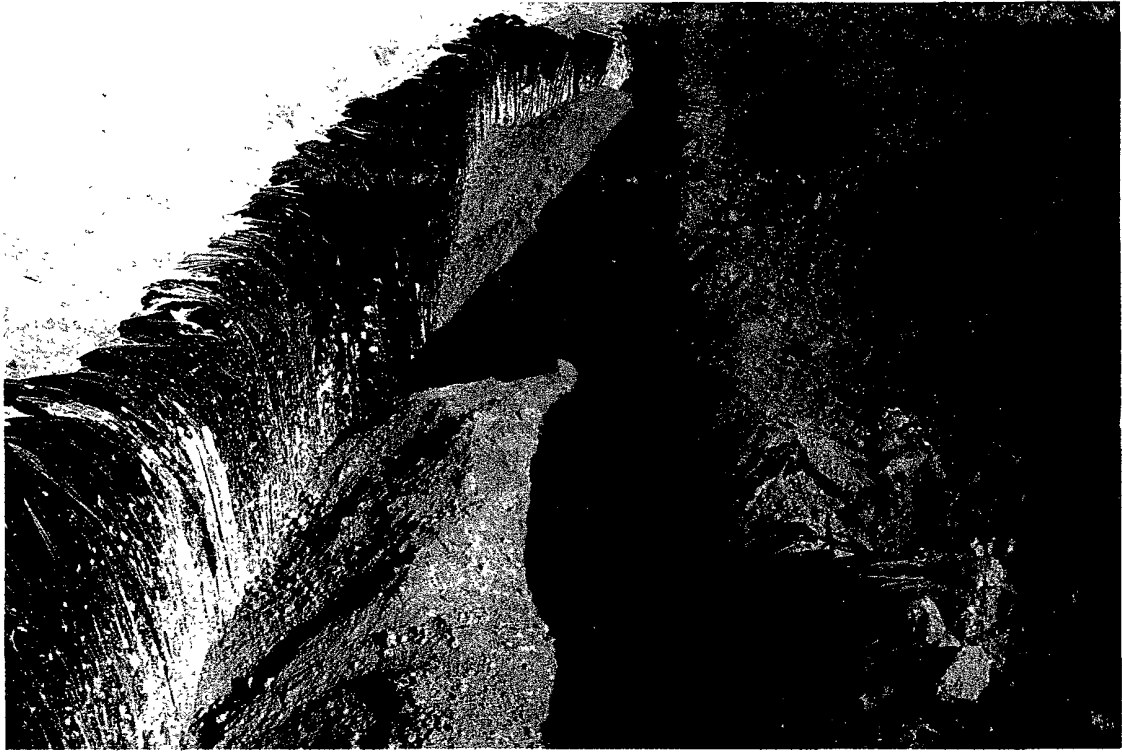
If burial trench is to be constructed in pit area, samples are to be obtained

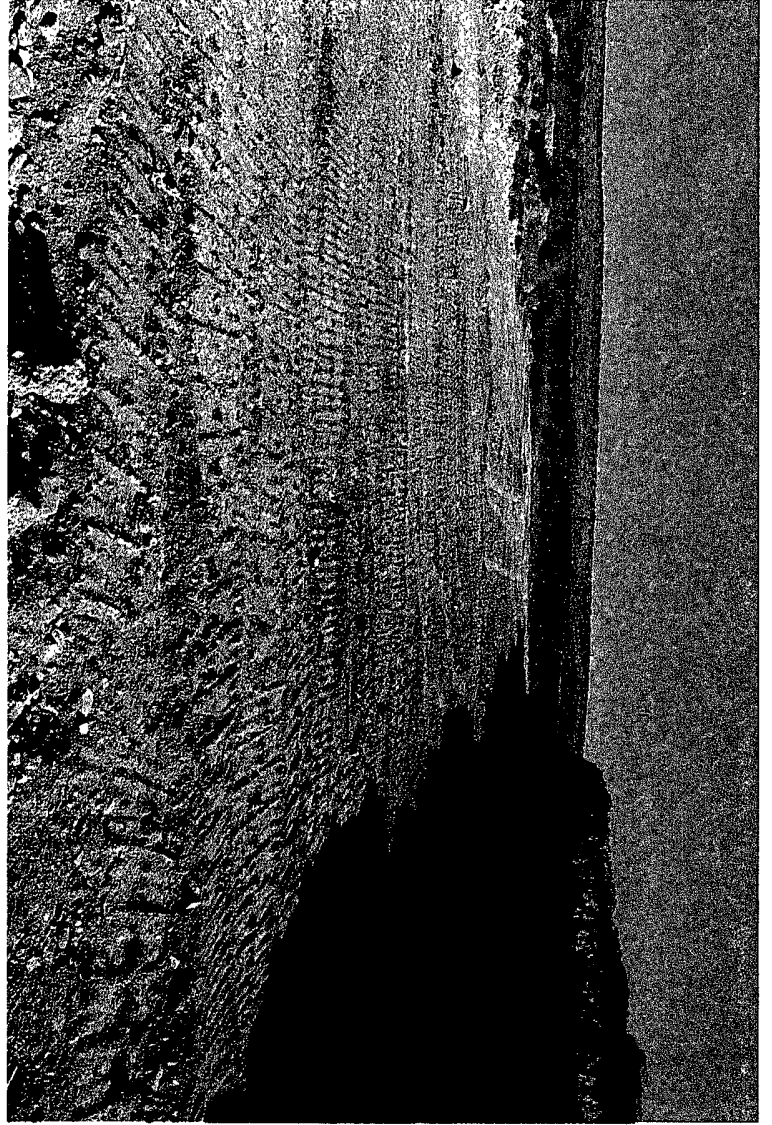
MEWBOURNE OIL COMPANY
RIFLE RANGE "33" STATE COM #1
1980' FSL & 660' FEL
SEC. 33, T21S, R26E
EDDY COUNTY, NEW MEXICO
API #30-015-34457

10/09/2007 12:35

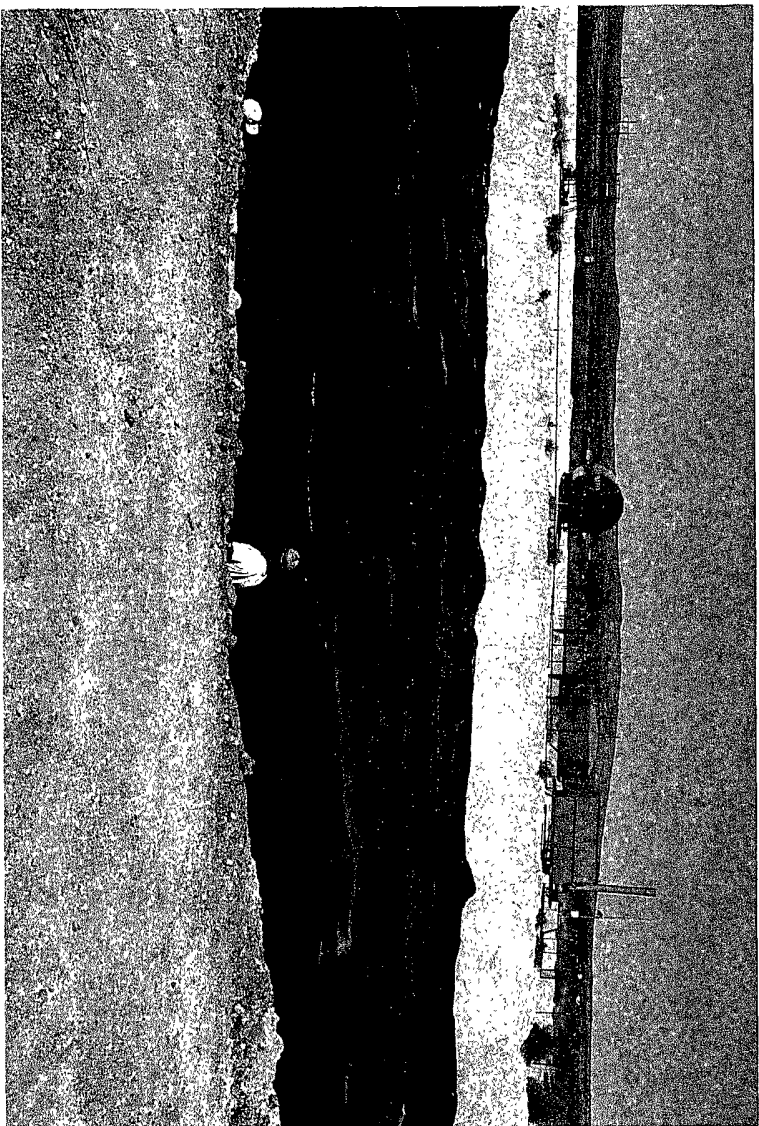


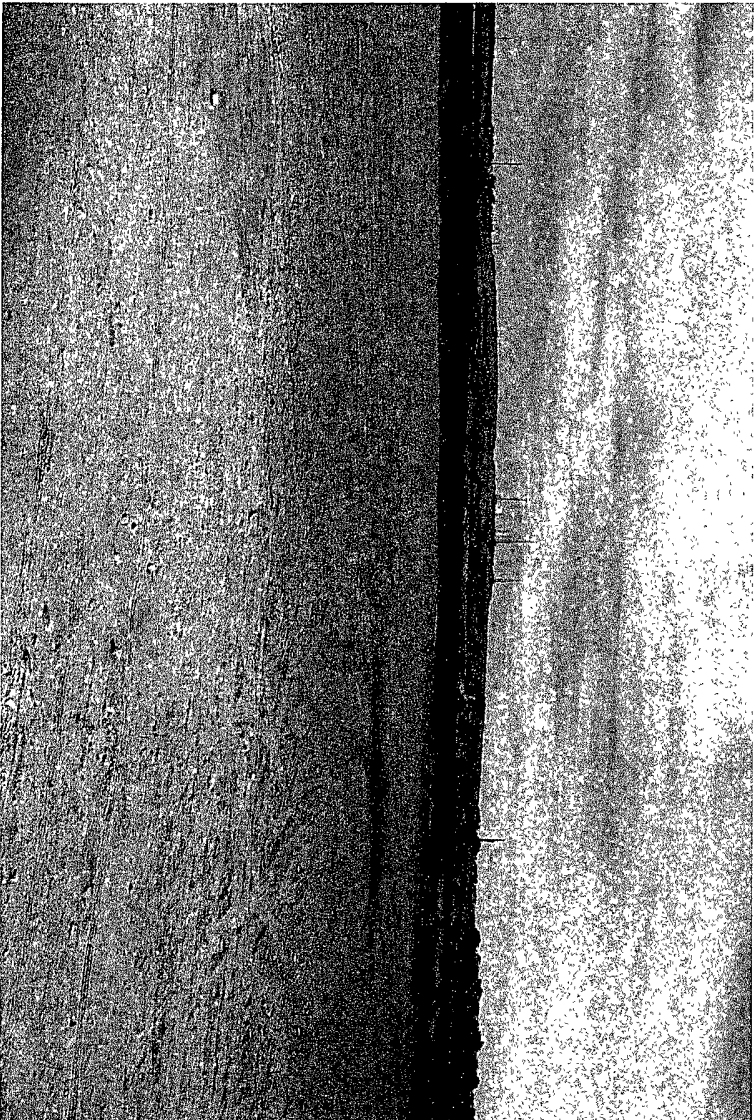












RIFLE Range 33 ST com1

Mew bourn

RIFLE Range 33 ST 1

