

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

October 12, 2007

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

RE: Golden Lane 4 Federal 001 - Final Pit Closure

Golden Lane 4 Federal 001

API: 30-015- *34692*

Sec -T S-R E

FSL & ' FEL

Depth to Ground Water: 75'

Planned Analytical Testing: Chlorides

Site Ranking Score:

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 12mil 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	10' 130mg/kg	Q2	10' 150mg/kg	Q3	10' 130mg/kg
Q4	10' 130mg/kg	Q5	10' 120mg/kg		

After field tests were performed, Mike Bratcher of the New Mexico Oil Conservation Division (NMOCD) was contacted. Approval for closure was granted with no stipulations:

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 pit area was backfilled with clean native material, contoured to the surrounding terrain and reseeded with an approved seed mixture.

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,



Robin Terrell
Production Engineer

OCD Copy

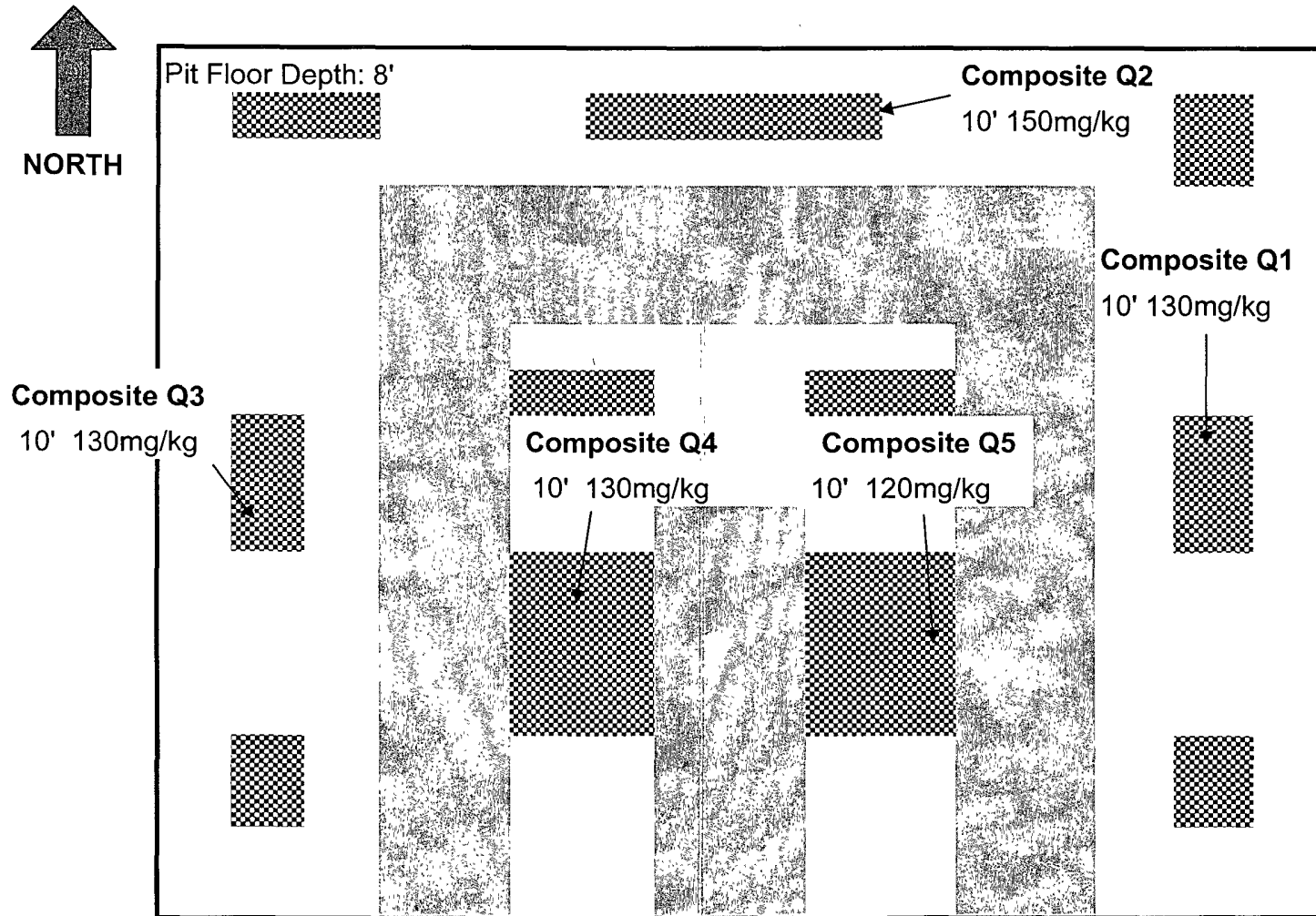
/sjt

Accepted for record
NMOCD

JAN 10 2008

Golden Lane 4 Federal 001
Field Results
Floor 10/12/07

Lined
Burial
Trench



Valley Energy Services, Inc.

PO Box 207
Loving, NM 88256

Invoice

Date	Invoice #
10/12/2007	632

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

Terms	Rep
Due on receipt	SJT

Location
Golden Lane 4 Federal 001

Quantity	Item Code	Description	Price Each	Amount
3.5	Enviro Sampling	pulled infield analysis for delineation; contacted Mike Bratcher of the NMOCD - approval to close	65.00	227.50T
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
45	Mileage Charge		0.50	22.50T
		New Mexico Sales Tax	6.3125%	19.88
			Total	\$334.88

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Pecos Blvd., 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 NMOCED 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: <u>Newbroume Oil Co.</u> Telephone: <u>(505) 393-5905</u> e-mail address: _____		
Address: <u>P.O. Box 5270 Hobbs NM 88241</u>		
Facility or well name: <u>Golden Lane #1 Fed #1</u> NE: <u>30-05-34692</u> UL or QUL: <u>M</u> Sec: <u>4</u> T: <u>215</u> R: <u>29E</u>		
County: <u>Eddy</u> Latitude: <u>32°30'10.9"</u> Longitude: <u>103°59'45.4"</u> NAD: 1983 ☐ 1983 ☐		
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐		
Pit Type: Drilling ☒ Production ☐ Disposal ☐ Wellbore ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness: <u>12</u> mil Clay ☐ FH Volume: _____ MM		
Below-grade tank Volume: _____ MM Type of tank: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____		
Depth to ground water (vertical distance from bottom of pit to nearest high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more <u>200'</u>	(20 points) (10 points) <u>0</u> (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <u>0</u>	(20 points) (0 points) <u>0</u>
Distance to surface water: (Horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <u>0</u>	(20 points) (10 points) <u>0</u> (0 points)
Ranking Score (Total Points)		<u>0</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 circle box if you are burying in place) circle ☒ offsite ☐ If offsite, name of facility: N/A. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater concentration: No ☒ Yes ☐ If yes, show depth below ground surface: N/A ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and orientations.

Additional Comments: Refer to Attached Pit Closure Plan

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 NMOCED guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 5/24/07

Printed Name/Title: Dusty L. Wilson/Field Agent

Signature: [Signature]

Your certification and NMOCED approval of this application 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:

Printed Name/Title: _____

Signature: [Signature]

Date: 6/4/07

Notify OCD 24 hours prior to beginning pit closure.

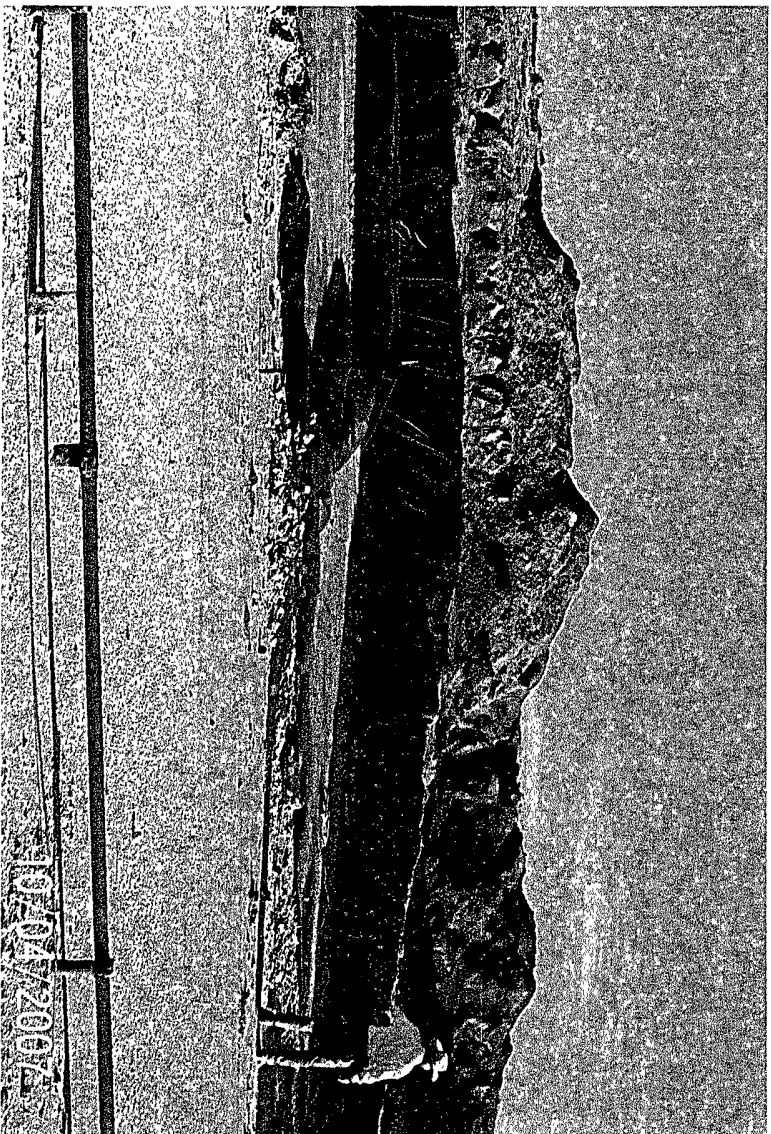
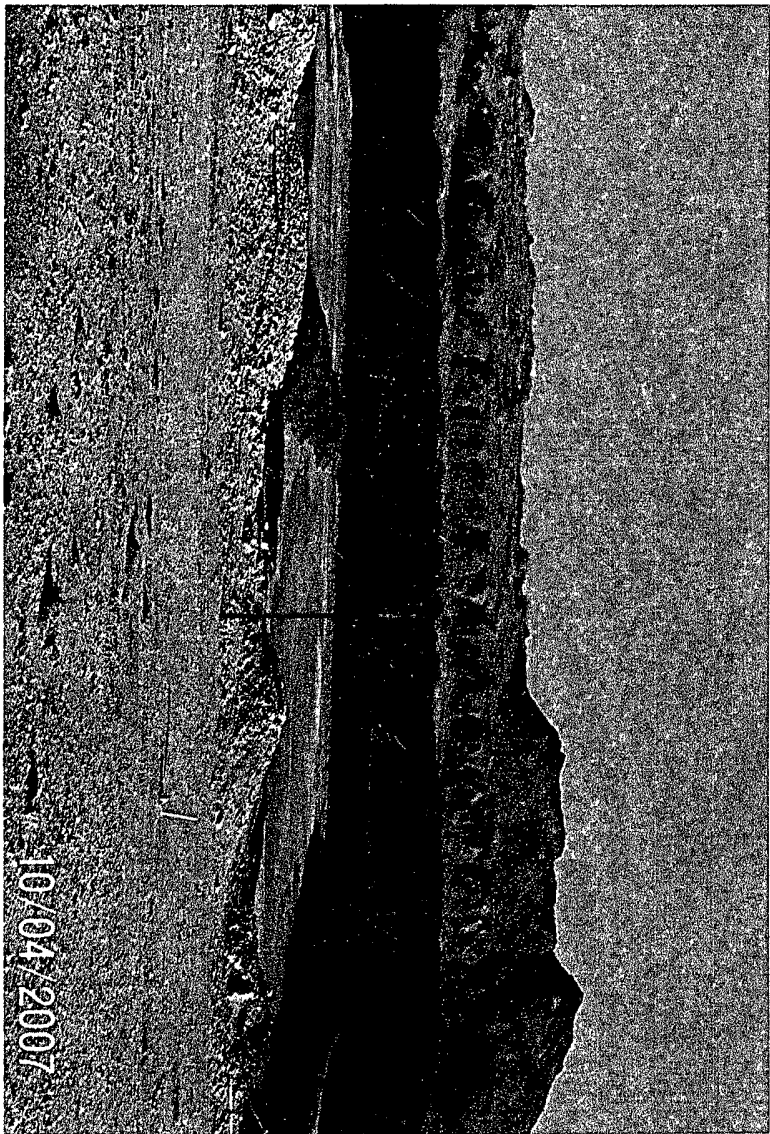
— Samples are to be obtained from pit area and analysis submitted to NMOCED prior to back-filling

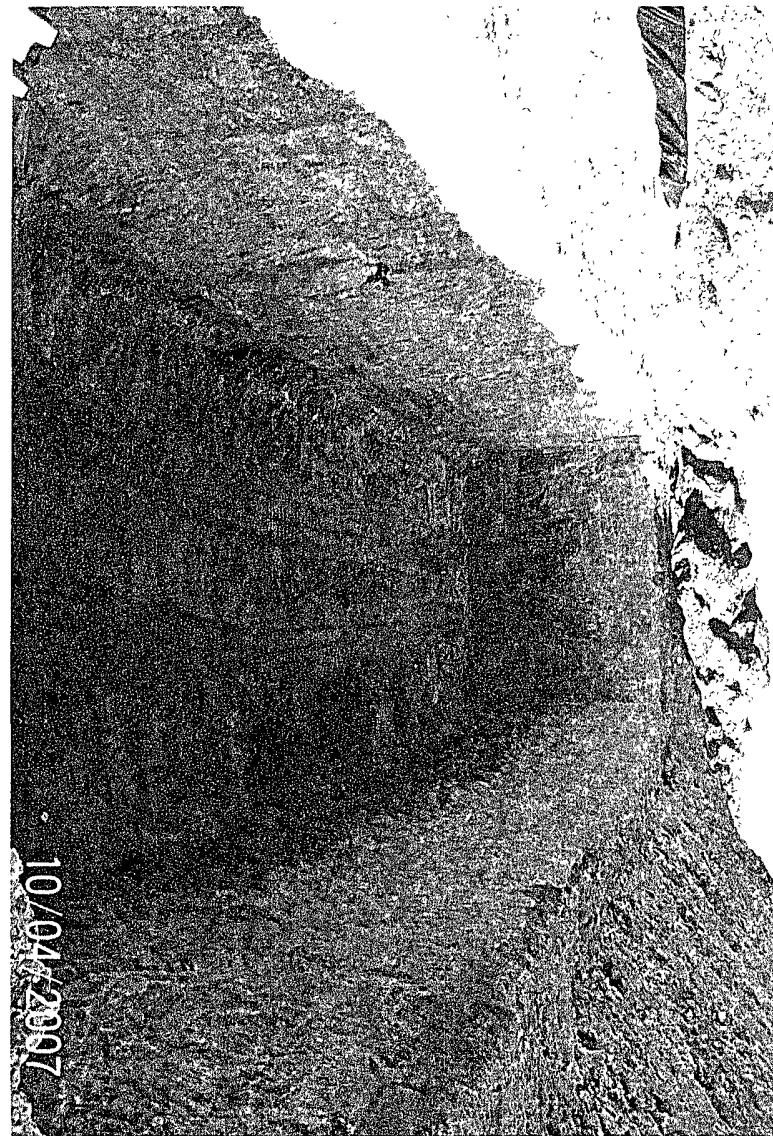
②

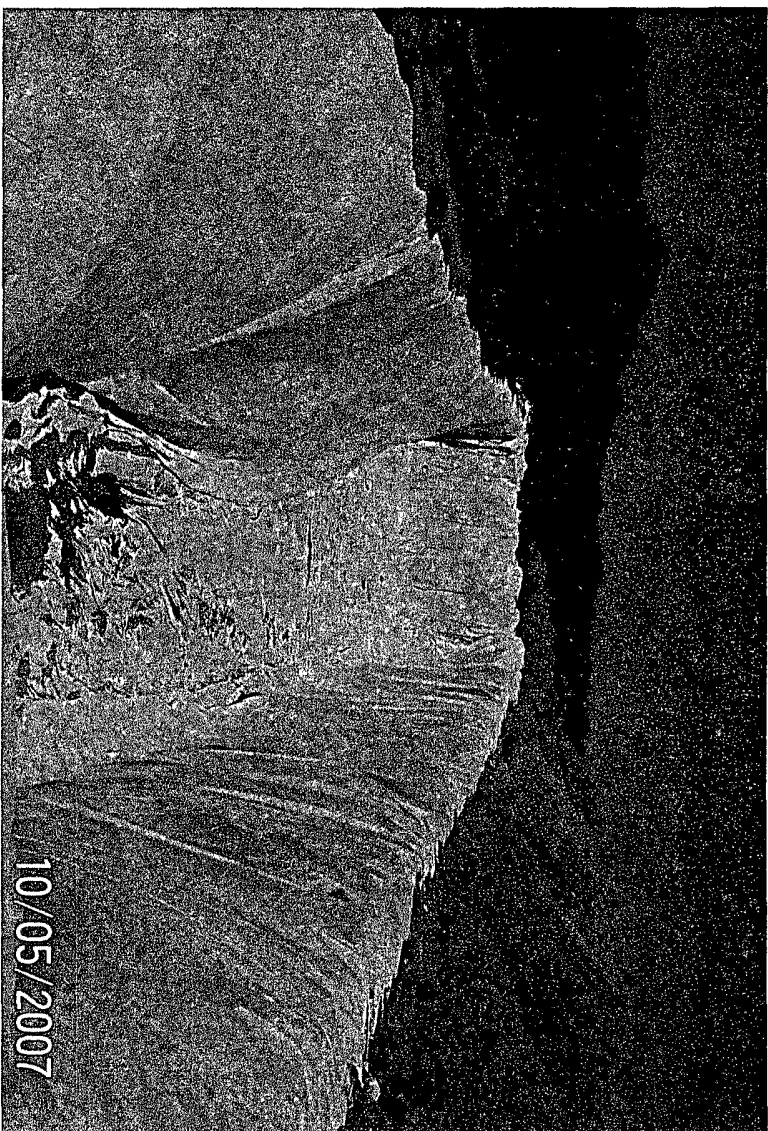
NEWBOURNE OIL COMPANY
GOLDEN LANE "4" FEDERAL #1
660' FSL & 660' FWL
SEC. 4, T21S, R29E
EDDY COUNTY, NEW MEXICO
LEASE #NM-029588

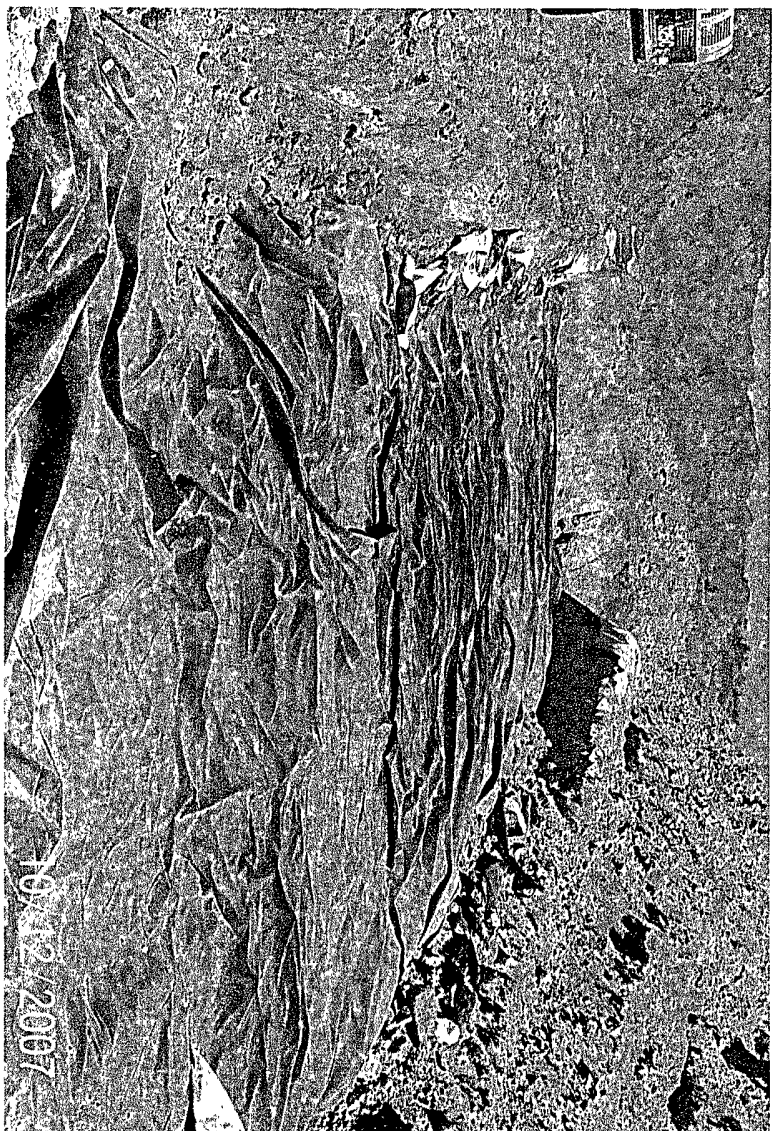
10/04/2007

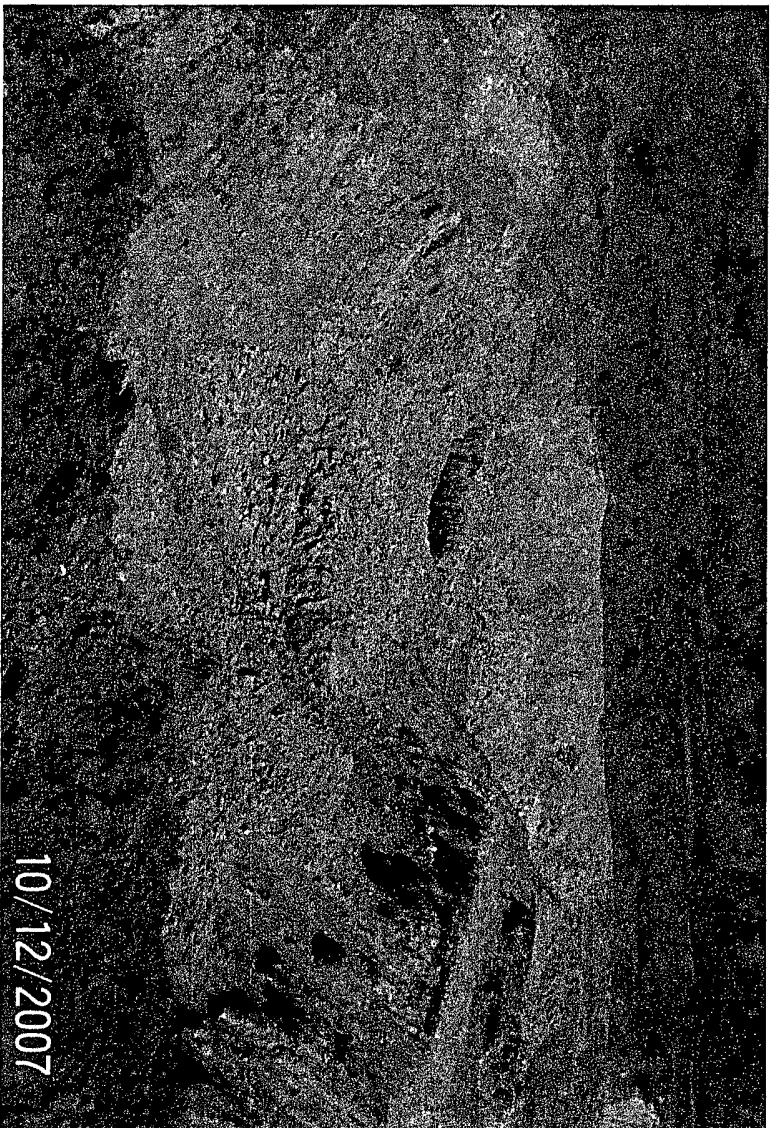
10/04/2007













TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9

200 East Sunset Road, Suite E

5002 Basin Street, Suite A1

8808 Camp Bowie Blvd West, Suite 180

Lubbock, Texas 79424

El Paso, Texas 79922

Midland, Texas 79703

Ft Worth, Texas 76116

800•378•1296

888•588•3443

806•794•1296

915•585•3443

432•689•6301

817•201•5260

FAX 806•794•1298

FAX 915•585•4944

FAX 432•689•6313

FAX 817•560•4336

E-Mail lab@traceanalysis.com

Analytical and Quality Control Report

Robin Terrell
Mewbourne Oil Company
P. O. Box 5270
Hobbs, NM, 88220

Report Date: November 14, 2007

Work Order: 7110832



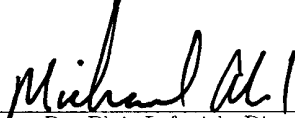
Project Location: Eddy County, NM
Project Name: Golden Lane 4 Fed #1
Project Number: Golden Lane 4 Fed #1

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
142273	Q1 10'	soil	2007-10-12	09:00	2007-11-08
142274	Q2 10'	soil	2007-10-12	09:30	2007-11-08
142275	Q3 10'	soil	2007-10-12	10:00	2007-11-08
142276	Q4 10'	soil	2007-10-12	10:30	2007-11-08
142277	Q5 10'	soil	2007-10-12	11:00	2007-11-08

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.


Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank

Case Narrative

Samples for project Golden Lane 4 Fed #1 were received by TraceAnalysis, Inc. on 2007-11-08 and assigned to work order 7110832. Samples for work order 7110832 were received intact at a temperature of 22.0 deg.C.

Samples were analyzed for the following tests using their respective methods.

Test	Method
Chloride (Titration)	SM 4500-Cl B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring, however, it may not pertain to the samples for work order 7110832 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Analytical Report

Sample: 142273 - Q1 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43041	Date Analyzed:	2007-11-10	Analyzed By:	MM
Prep Batch:	37140	Sample Preparation:	2007-11-09	Prepared By:	MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		90.3	mg/Kg	10	5.00

Sample: 142274 - Q2 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43041	Date Analyzed:	2007-11-10	Analyzed By:	MM
Prep Batch:	37140	Sample Preparation:	2007-11-09	Prepared By:	MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		83.6	mg/Kg	10	5.00

Sample: 142275 - Q3 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43041	Date Analyzed:	2007-11-10	Analyzed By:	MM
Prep Batch:	37140	Sample Preparation:	2007-11-09	Prepared By:	MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		81.7	mg/Kg	10	5.00

Sample: 142276 - Q4 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43041	Date Analyzed:	2007-11-10	Analyzed By:	MM
Prep Batch:	37140	Sample Preparation:	2007-11-09	Prepared By:	MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		188	mg/Kg	10	5.00

Sample: 142277 - Q5 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43041	Date Analyzed:	2007-11-10	Analyzed By:	MM
Prep Batch:	37140	Sample Preparation:	2007-11-09	Prepared By:	MM

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

Method Blank (1) QC Batch: 43041

QC Batch: 43041 Date Analyzed: 2007-11-10 Analyzed By: MM
Prep Batch: 37140 QC Preparation: 2007-11-09 Prepared By: MM

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

Laboratory Control Spike (LCS-1)

QC Batch: 43041 Date Analyzed: 2007-11-10 Analyzed By: MM
Prep Batch: 37140 QC Preparation: 2007-11-09 Prepared By: MM

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	102	mg/Kg	1	100	<3.25	102	96.1 - 103

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	100	mg/Kg	1	100	<3.25	100	96.1 - 103	2	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: 142280

QC Batch: 43041 Date Analyzed: 2007-11-10 Analyzed By: MM
Prep Batch: 37140 QC Preparation: 2007-11-09 Prepared By: MM

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	512	mg/Kg	10	500	50.356	92	80 - 120

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	504	mg/Kg	10	500	50.356	91	80 - 120	2	20

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

Standard (ICV-1)

QC Batch: 43041 Date Analyzed: 2007-11-10 Analyzed By: MM

Report Date: November 14, 2007
Golden Lane 4 Fed #1

Work Order: 7110832
Golden Lane 4 Fed #1

Page Number: 5 of 5
Eddy County, NM

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	99.2	99	85 - 115	2007-11-10

Standard (CCV-1)

QC Batch: 43041

Date Analyzed: 2007-11-10

Analyzed By: MM

Param	Flag	Units	CCVs True Conc	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	101	101	85 - 115	2007-11-10

TraceAnalysis, Inc.

email: lab@traceanalysis.com

6701 Aberdeen Avenue, Suite 9
Lubbock, Texas 79424
Tel (806) 794-1296
Fax (806) 794-1298
1 (800) 378-12965002 Basin Street, Suite A1
Midland, Texas 79703
Tel (432) 689-6301
Fax (432) 689-6313200 East Sunset Rd., Suite E
El Paso, Texas 79922
Tel (915) 585-3443
Fax (915) 585-4944
1 (888) 588-34438808 Camp Bowie Blvd West, Suite 180
Ft. Worth, Texas 76116
Tel (817) 201-5260
Fax (817) 560-4336

Company Name:

Murchison Oil Co (MOC)

Address:

PO Box Hobbs, NM 88240

Fax #:

Contact Person:

Robin Terrell

E-mail:

Sullya Robin

Invoice to:

(If different from above)

Project #:

Project Name:

Golden Lane 4 Fed #1

Project Location (including state):

Eddy County, NM

Sampler Signature:

Sullya Robin

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX			PRESERVATIVE METHOD					SAMPLING	
				WATER	SOIL	AIR	HCl	HNO ₃	H ₂ SO ₄	NaOH	ICE	NONE	DATE

142273	Q1 10'	1		X							X			11/16/07	0900
274	Q2 10'	1		X							X			11/16/07	0930
275	Q3 10'	1		X							X			11/16/07	1000
276	Q4 10'	1		X							X			11/16/07	1030
277	Q5 10'	1		X							X			11/16/07	1100

ANALYSIS REQUEST
(Circle or Specify Method No.)

MTBE 8021B / 602 / 8260B / 624	TPH 418.1 / TX1005 / TX1005 Ext(C35)	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/2007	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Volatiles	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol. 8260B / 624	GC/MS Semi Vol 8270C / 625	PCBs 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content	Chloride	Turn Around Time if different from standard
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Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp °C:
Sullya Robin	VES	11-07-07	1730	WPS	11-07-07	1730		
Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp °C:
Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp °C:

REMARKS:

LAB USE ONLY

- ☐ Dry Weight Basis Required
☐ TRRP Report Required
☐ Check If Special Reporting Limits Are Needed

Initials: Y/N
Headspace: Y/N / NA
Log-In-Review: Y

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C O C.

Carrier #

Bus GLI 3093565470

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