



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

MERRION OIL & GAS

610 Reilly Avenue

Farmington, NM 87401

January 25, 2006

EDDY BD STATE #1 - PIT CLOSURE PLAN APPROVAL

Your letter of January 11, 2006 has been received. In your letter you request approval to close the pit at the Eddy BD State #1 (30-015-20200) located in Eddy County, New Mexico, in P-32-20S-30E.

Your proposal to use 10ppm Benzene, 50ppm BTEX, 5,000ppm TPH and local background levels, as described in your letter, for chlorides is acceptable for remediation and closure of this pit.

Contaminated materials requiring remediation should be remediated so that residual contaminant concentrations are below the approved remediation levels. If the approved remediation levels cannot practicably be attained, a detailed evaluation of risk may be performed and provided in writing to OCD for approval showing that the remaining contaminants will not pose a threat to present or foreseeable beneficial use of fresh water, public health and the environment.

Notify OCD District 2 Office 24 hours prior to commencement of operations. Notify OCD District 2 Office 24 hours prior to obtaining samples where analysis of samples will be submitted to OCD.

A handwritten signature in dark ink, appearing to read "M. Fesmire", written over a horizontal line.

Artesia OCD District Office