



30-015-20200

March 21, 2006

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OCU-ARTESIA

Chris Beadle
NMOCD
Artesia OCD District 2 Office
1301 West Grand Ave
Artesia, NM 88210

SUBJECT: EDDY BD STATE NO. 1 PROPOSED PIT CLOSURE PLAN B

Dear Mr. Beadle:

Merrion Oil & Gas (MOG) has completed preliminary testing on the contents of the produced water pit at the subject location. The TPH level was about 45,000 ppm in one of the samples.

Merrion Oil & Gas proposes to close the three tiered unlined earthen pits at the subject well location according to the following revised procedure:

- ❖ Collect soil samples from each tier of the pit at a depth of about six inches. Analyze these samples for BTEX, TPH and chlorides – This was done on 1/13/06, and the contamination level was higher than the threshold values anticipated for leaving the soil in place.
- ❖ Collect two native soil samples from opposite sides of the pit, at an elevation higher than the pit, to obtain a background chloride level. This will be done as part of the revised plan.
- ❖ Remove oil stained soil to underlying rock. Collect clean soil samples if possible.
- ❖ Land farm contaminated soil on site.
- ❖ If it is not possible to excavate to clean soil that can be sampled, formulate a risk based assessment of the site, and finalize the closure plan based on the assessment.
- ❖ Note: There was a water well drilled in 1966 in the same section as the subject pits. Groundwater was reached at 170' subsurface. This will be a consideration in the final closure details.

We will proceed with this revised plan as soon as a contractor is available. Please call me at 324-5326 or email me if you have questions, or you require further information or revisions to the proposed plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Connie S. Dimming", is written over a horizontal line.

Connie S. Dimming
Production Engineer

csd

Cc: Eddy BD State 1 Well File