

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

OCD 6014

September 7, 2007

Tim Gum  
NMOCD District 2 Office  
1301 W. Grand  
Artesia, New Mexico 88210

RE: Federal V Com 004 - Final Pit Closure

**Federal V Com 004**

API: 30-015-35-127

8-20S-28E

1590' FNL & 910' FWL

Depth to Ground Water: 70'+ (test hole was drilled)

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 12mil HDPE 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:

Q1	7' 1700mg/kg 16' -80mg/kg	Q2	7' 200mg/kg	Q3	7' 5000mg/kg 10' 1000mg/kg 12' 180mg/kg
Q4	7' 3800mg/kg 10' 1800mg/kg 13' -100mg/kg	Q5	7' 13000mg/kg 10' 11000mg/kg 17' 6400mg/kg 26' -80mg/kg		

After field tests were performed, Tim Gum of the New Mexico Oil Conservation Division (NMOCD) was contacted. Approval for closure was granted with the following stipulation:

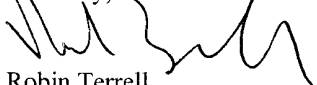
Due to the amount of solid rock encountered, no additional impacted material would have to be removed; but the floor would be leveled so a 20mil cap could be place across the entire length and width of the floor.

Pursuant to NMOCD Pit Rule 50 and the aforementioned stipulation, a 20mil HDPE liner was placed across the floor of the drill pit and on the 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 native 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

Accepted for record  
NMOCD

Tim  
9/10/07

/sjt

(11)

**Mewbourne Oil Company**  
**PO Box 5270**  
**Hobbs, NM 88240**  
**(505) 393-5905**

August 15, 2007

New Mexico OCD  
Attn: Mike Bratcher  
1301 West Gande Ave.  
Artesia, NM 88210

Re: Federal "V" Com # 4

On August 13, 2007 a borehole was drilled on the above mentioned location to a depth of 75'. No water was encountered during the drilling of the borehole. The depth of 75' was reached at 1:00 pm 8/13/07. The borehole was then left exposed to atmospheric conditions for 24 hrs and tested with a bailer. No water was recovered with the bailer to a depth of 70'. Ron Harvey w/ NMOCD witnessed the testing of the borehole. Given this information Mewbourne Oil Company is requesting to deep bury the reserve contents on location. The deep bury pit would be no greater than 20' deep and would comply with all NMOCD rules and regulations.

Sincerely,



Robin Terrell

Valley Energy Services, Inc.

# Invoice

PO Box 207  
Loving, NM 88256


Date	Invoice #
9/6/2007	605

<b>Bill To</b>
Mewbourne Oil Company Robin Terrell PO Box 5270 Hobbs, NM 88241

Terms	Rep
Due on receipt	SJT

Location
Federal V Com <del>008</del> <b>4</b>

Quantity	Item Code	Description	Price Each	Amount
8	Enviro Sampling	pulled infield samples, delineated, contacted Tim Gum at the NMOCD for closure approval	65.00	520.00T
0.5	Enviro misc	prepared, packaged and sent samples to Trace Analysis for official analyticals	65.00	32.50T
1	Enviro Reports	prepared and delivered final closure report to Tim Gum for official approval	65.00	65.00T
40	Mileage Charge		0.50	20.00T
		New Mexico Sales Tax	6.3125%	40.24
			<b>Total</b>	
			\$677.74	

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301  and 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

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**

AUG 16 2007

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 ☒

OGD-ARTESIA

Operator **Mewbourne Oil**Telephone: **(505)-393-5905**

e-mail address: \_\_\_\_\_

Address: **701 S. Cecil (P.O. Box 5270) Hobbs, NM 88241**Facility or well name: **Federal "V" Com. #4**API #: **3001535127**U/L or Qtr/Qtr **E**Sec **8** T **20 S** R **28 E**County: **Eddy**

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 \_\_\_\_\_ bbl

**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) XXXX
	100 feet or more	(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	(20 points)
	No	(0 points) XXXX
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) XXXX
<b>Ranking Score (Total Points)</b>		<b>10 Points</b>

**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: Work Plan for closure of drilling pit. The drilling pit contents will be mixed to stiffen the pit contents. An encapsulation trench will be excavated and lined with a 12 mil synthetic liner next to existing drilling pit site. Drilling pit contents will then be emplaced into the encapsulation trench. A 20 mil synthetic liner will then be placed over the pit contents with a minimum of a 3' over lap of the underlying trench area. Then encapsulation trench will then be backfilled back to grade using a minimum of 3' of clean soil and like material. A one call and 48 hour notice will be provided to the Oil Conservation Division before pit closure actions begin.  
Bore hole was advanced to 75' - (no ground water was encountered).

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 **8-16-2007**Printed Name/Title **IRVIN R. MARTIN DBA TNT Backhoe Service** Signature **Irvin R. Martin DBA TNT Backhoe Service**

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.

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

Signature

Signed By **Mike Beaman**

Date:

**AUG 16 2007**

If burial trench is to be constructed

Date: 8/15/2007 Time: 4:45 PM To: 2007332743

NEW MEXICO ONE CALL  
Locate Request ConfirmationTicket #:2007332743  
Work to Begin Date:

08/17/2007

Reason Code:STANDARD LOCATE  
Time: 04:41:00 PM

## CALLER INFORMATION

RAY MARTIN  
TNT BACKHOE SERVICESExcavator Type:CONTRACTOR  
Tel.: (505) 365-7827

## DIG LOCATION

City:RURAL EDDY  
Subdivision:  
Address : To:  
Street : WELL FEDERAL V COM #4  
Nearest Intersecting Street :  
Second Intersecting Street :

## Additional Dig Information:

==DRILLING PIT CLOSURE==

FROM ARTESIA, GO E. ON US-82 TO CR-204, TURN S.  
TO CR-206, TURN S. TO CR-237, TURN E. GO 1MI TO  
RANCH HOUSE, L. GO 0.1MI, TURN W. GO 0.3MI TO  
LOCATION

Remarks: SPOT 300FT RADIUS OF THE WELL

Township: 20S Range: 28E Section 1/4: 08 NW

Type of Work: OIL/GAS-WELL/PIT REMOVAL

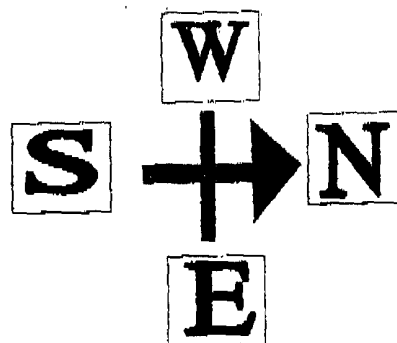
The following utility owners have been notified of  
your proposed excavation site:  
DCP MIDSTREAM - CARLSBAD  
DOUBLE EAGLE  
ENTERPRISE FIELD SERVICES - CARLSBAD

## IMPORTANT CONFIRMATION NOTICE

Your fax request has been received and processed. It is your responsibility to review the information provided on this faxback confirmation ticket and ensure it has been correctly interpreted from your request. Notify us immediately of any corrections or errors. Acceptance of this faxback confirmation ticket means you accept responsibility for the accuracy of the information contained in the ticket and you agree to indemnify New Mexico One Call Systems, Inc. of all liability, claims, fees, or damages, including reasonable attorney fees arising from or resulting from the use of the information provided on this confirmation ticket.

New Mexico Law requires you to wait two working days from the date and

# Mewbourne Oil Federal "V" Com. #4



**140' X 140'**

**Drilling Pit**

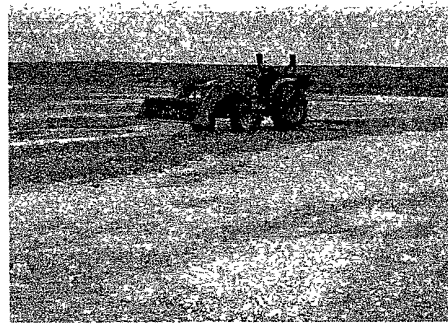
**Encapsulation  
Trench**

**60'**

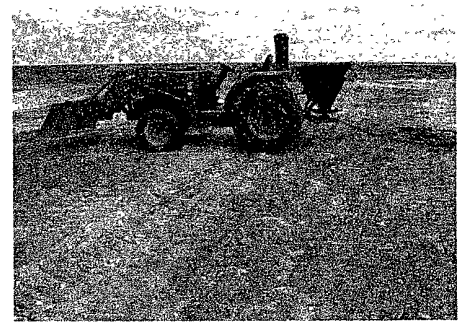
**X** (Well)



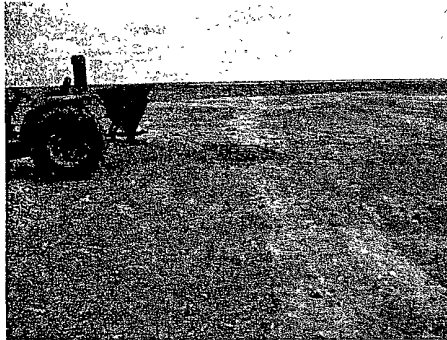
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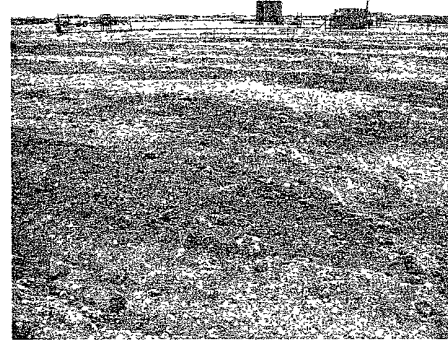
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9/20/2007 9:39:25 AM



9/20/2007 9:39:30 AM



9/20/2007 9:39:36 AM



9/20/2007 9:39:41 AM



8/15/2007 2:45:47 PM



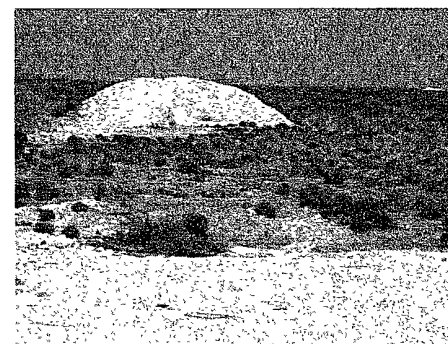
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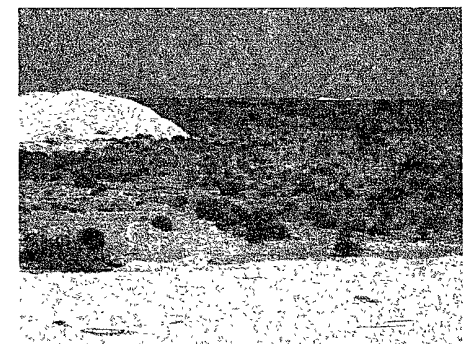
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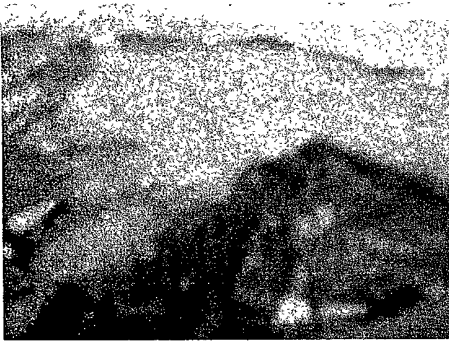


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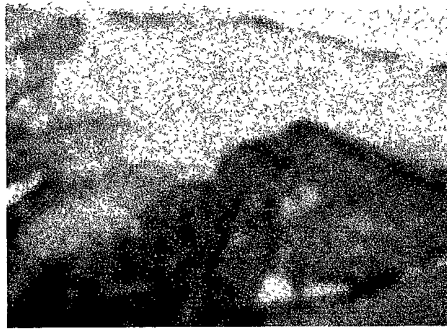


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Photo's taken by TNT Backhoe Service



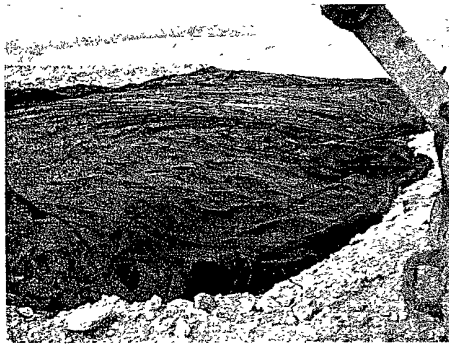
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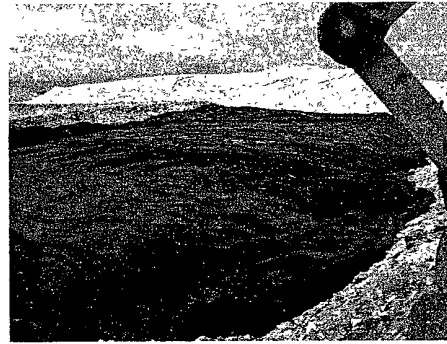
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9/10/2007 11:40:18 AM



9/10/2007 11:40:25 AM



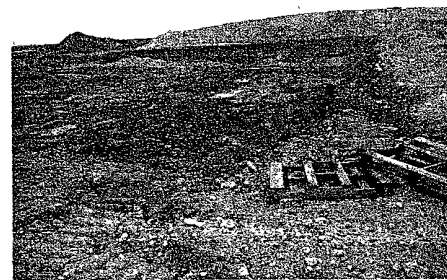
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9/11/2007 10:14:54 AM



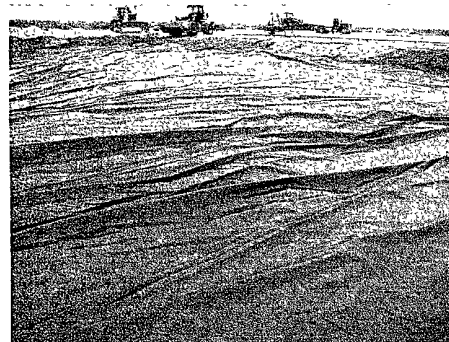
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9/11/2007 10:15:05 AM



9/11/2007 10:59:49 AM



9/11/2007 10:59:54 AM



9/11/2007 11:00:01 AM



9/11/2007 11:00:06 AM

Photo's taken by TNT Backhoe Service





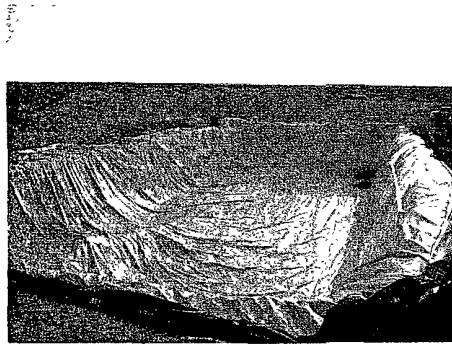
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8/28/2007 6:52:07 AM



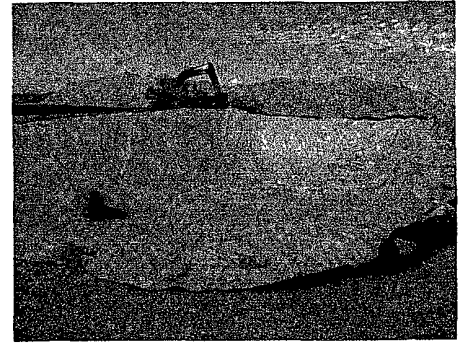
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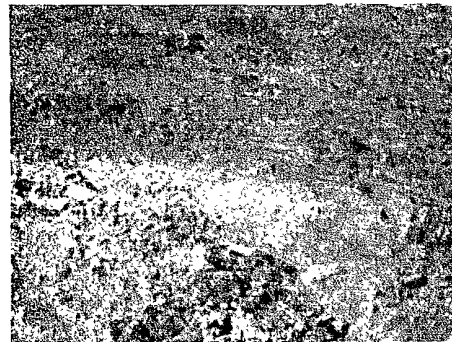
8/28/2007 7:30:05 AM



8/28/2007 7:30:30 AM



8/28/2007 7:31:51 AM



8/28/2007 10:06:32 AM



8/28/2007 10:06:45 AM

Photo's taken by TNT Backhoe Service



6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298  
200 East Sunset Road, Suite E El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944  
5002 Basin Street, Suite A1 Midland, Texas 79703 432•689•6301 FAX 432•689•6313  
6015 Harris Parkway, Suite 110 Ft. Worth, Texas 76132 817•201•5260  
E-Mail: lab@traceanalysis.com

## Analytical and Quality Control Report

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

Report Date: September 25, 2007

Work Order: 7092117



Project Location: Eddy County, NM  
Project Name: Federal V Fed Com 004  
Project Number: Federal V Fed Com 004

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
137079	Q1	soil	2007-09-07	08:45	2007-09-21
137080	Q2	soil	2007-09-07	09:30	2007-09-21
137081	Q3	soil	2007-09-07	11:30	2007-09-21
137082	Q4	soil	2007-09-07	13:00	2007-09-21
137083	Q5	soil	2007-09-07	15:00	2007-09-21

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 Federal V Fed Corn 004 were received by TraceAnalysis, Inc. on 2007-09-21 and assigned to work order 7092117. Samples for work order 7092117 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 7092117 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: 137079 - Q1

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41426	Date Analyzed:	2007-09-25	Analyzed By:	ER
Prep Batch:	35796	Sample Preparation:	0207-09-25	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		29.9	mg/Kg	4	5.00

### Sample: 137080 - Q2

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41426	Date Analyzed:	2007-09-25	Analyzed By:	ER
Prep Batch:	35796	Sample Preparation:	0207-09-25	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		44.5	mg/Kg	4	5.00

### Sample: 137081 - Q3

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41426	Date Analyzed:	2007-09-25	Analyzed By:	ER
Prep Batch:	35796	Sample Preparation:	0207-09-25	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		142	mg/Kg	20	5.00

### Sample: 137082 - Q4

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41426	Date Analyzed:	2007-09-25	Analyzed By:	ER
Prep Batch:	35796	Sample Preparation:	0207-09-25	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<20.0	mg/Kg	4	5.00

### Sample: 137083 - Q5

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	41426	Date Analyzed:	2007-09-25	Analyzed By:	ER
Prep Batch:	35796	Sample Preparation:	0207-09-25	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<20.0	mg/Kg	4	5.00

**Method Blank (1)**      QC Batch: 41426

QC Batch: 41426      Date Analyzed: 2007-09-25      Analyzed By: ER  
Prep Batch: 35796      QC Preparation: 2007-09-25      Prepared By: ER

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

**Laboratory Control Spike (LCS-1)**

QC Batch: 41426      Date Analyzed: 2007-09-25      Analyzed By: ER  
Prep Batch: 35796      QC Preparation: 2007-09-25      Prepared By: ER

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	101	mg/Kg	1	100	<3.25	101	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	99.5	mg/Kg	1	100	<3.25	100	90 - 110	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: 137084

QC Batch: 41426      Date Analyzed: 2007-09-25      Analyzed By: ER  
Prep Batch: 35796      QC Preparation: 2007-09-25      Prepared By: ER

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	<sup>1</sup> 201	mg/Kg	4	400	29.152	43	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	<sup>2</sup> 226	mg/Kg	4	400	29.152	49	84.6 - 117	12	20

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

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

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

**Standard (ICV-1)**

QC Batch: 41426

Date Analyzed: 2007-09-25

Analyzed By: ER

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	100	100	85 - 115	2007-09-25

**Standard (CCV-1)**

QC Batch: 41426

Date Analyzed: 2007-09-25

Analyzed By: ER

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	99.9	100	85 - 115	2007-09-25

# TraceAnalysis, Inc.

email: [lab@traceanalysis.com](mailto:lab@traceanalysis.com)

6701 Aberdeen Avenue, Suite 9  
Lubbock, Texas 79424  
Tel (806) 794-1296  
Fax (806) 794-1298  
1 (800) 378-1296

5002 Basin Street, Suite A1  
Midland, Texas 79703  
Tel (432) 689-6301  
Fax (432) 689-6313

200 East Sunset Rd., Suite E  
El Paso, Texas 79922  
Tel (915) 585-3443  
Fax (915) 585-4944  
1 (888) 588-3443

8808 Camp Bowie Blvd. West, Suite 180  
Ft. Worth, Texas 76116  
Tel (817) 201-5260  
Fax (817) 560-4336

Company Name: Mesa Verde Oil Company (MOC)	Phone #:
Address: (Street, City, Zip) Hobbs, NM 88240	Fax #:
Contact Person: Robin Terrell	E-mail: Shelly & Robin Terrell
Invoice to: (If different from above)	
Project #:	Project Name: Federal V Fed Com out
Project Location (including state): Eddy County NM	Sampler Signature: Shelly Terrell

ANALYSIS REQUEST  
(Circle or Specify Method No.)

[illegible]

Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp°c:
<i>Shirley Nicks</i>	<i>VES</i>	<i>9-20-07</i>	<i>1530</i>	<i>UPS</i>		<i>9-20-07</i>	<i>1530</i>	
Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp°c:
Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp°c:
				<i>[Signature]</i>		<i>09/21/07</i>	<i>1000</i>	<i>22</i>

LAB USE  
ONLY

Intact Y / N  
Headspace Y / N NA  
Log-in-Review

REMARKS:

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

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

Carrier #

FX 798758132788