

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

JAN 31 2008
OCD-ARTESIA

December 26, 2007

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

RE: Horseshoe 33 State # 001 - Final Pit Closure

Horseshoe 33 State # 001
API: 30-015-34164
33-23S-25E
1650' F SL & 660' FWL

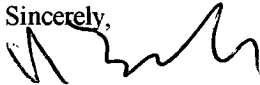
Depth to Ground Water: 70'+
Planned Analytical Testing: Chlorides
Site Ranking Score: 0 (zero)
Primary Land Use: Ranching and Oil & Gas Production

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. Drill cuttings were stiffened and transferred to the lined Insitu trench. Due to extremely rocky terrain the deep bury trench was small and not able to hold all cuttings. The remaining cuttings and mud that were not transferred to deep trench were hauled to Lea Land.

Soil samples were not taken from this site due to the rocky terrain. Tim Gum of the New Mexico Oil Conservation Division (NMOCD) was contacted and approved not sampling the site due to rock. A 20 mil cap was placed over the trench and over the entire reserve pit area and the pit was backfilled.

Sincerely,

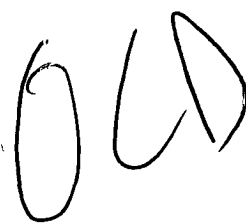


Robin Terrell
Production Engineer

/sjt

Accepted for record
NMOCD

FEB 04 2008



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

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

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 ☒

OCT 10 2007
OCD-ARTESIA

Operator: <u>Newbourne Oil</u> Telephone: <u>(505) 313-5965</u> e-mail address: _____							
Address: <u>Box 5270, Hobbs NM 88241</u>							
Facility or well name: <u>Horseshoe 33 State #1</u>	API #: <u>30-015-34164</u> U/L or Qtr/Qtr <u>L</u> Sec <u>33</u> T <u>285</u> R <u>25E</u>						
County: <u>Eddy</u>	Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input 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 _____ 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 _____ 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.)	<table border="1"> <tr> <td>Less than 50 feet</td> <td>(20 points)</td> </tr> <tr> <td>50 feet or more, but less than 100 feet</td> <td>(10 points)</td> </tr> <tr> <td>100 feet or more</td> <td>(0 points)</td> </tr> </table>	Less than 50 feet	(20 points)	50 feet or more, but less than 100 feet	(10 points)	100 feet or more	(0 points)
Less than 50 feet	(20 points)						
50 feet or more, but less than 100 feet	(10 points)						
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.)	<table border="1"> <tr> <td>Yes</td> <td>(20 points)</td> </tr> <tr> <td>No</td> <td>(0 points)</td> </tr> </table>	Yes	(20 points)	No	(0 points)		
Yes	(20 points)						
No	(0 points)						
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	<table border="1"> <tr> <td>Less than 200 feet</td> <td>(20 points)</td> </tr> <tr> <td>200 feet or more, but less than 1000 feet</td> <td>(10 points)</td> </tr> <tr> <td>1000 feet or more</td> <td>(0 points)</td> </tr> </table>	Less than 200 feet	(20 points)	200 feet or more, but less than 1000 feet	(10 points)	1000 feet or more	(0 points)
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200 feet or more, but less than 1000 feet	(10 points)						
1000 feet or more	(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 onsite box if you are burying in place) onsite ☒ 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 encountered: 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 excavations.

Additional Comments: <u>Refer to Attached Pit Closure Plan.</u>

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/is/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

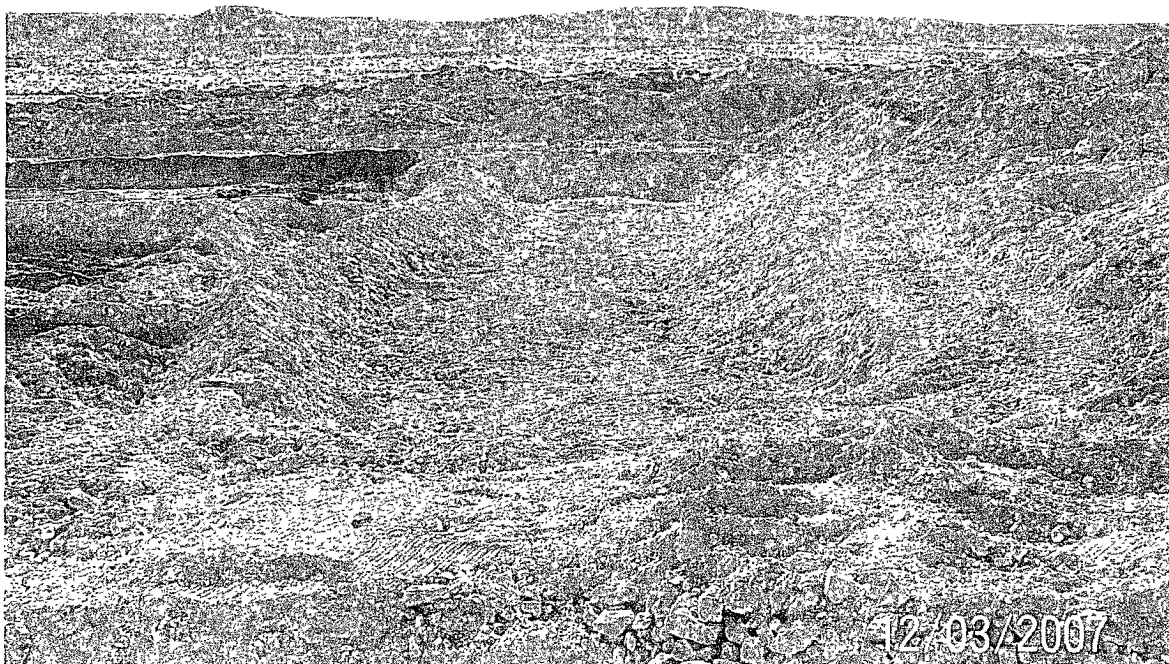
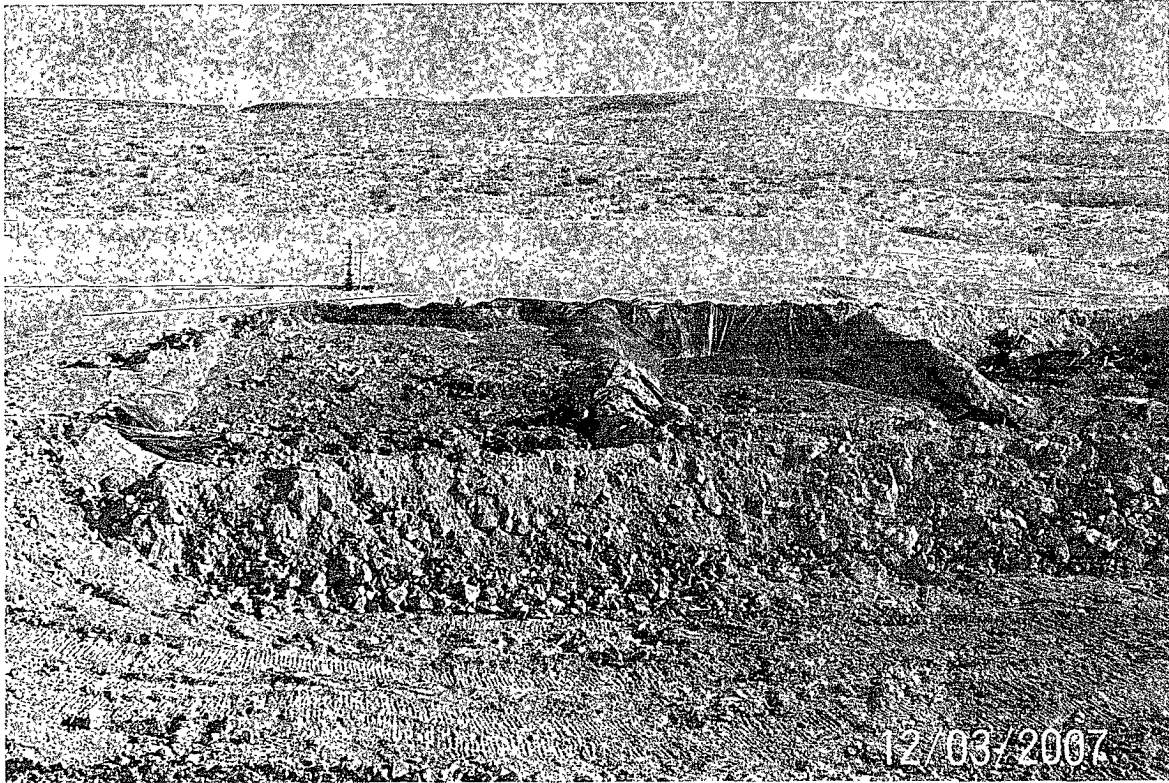
Date: 10/10/07
Printed Name/Title: Dusty Wilson/Field Supv Signature: [Signature]
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

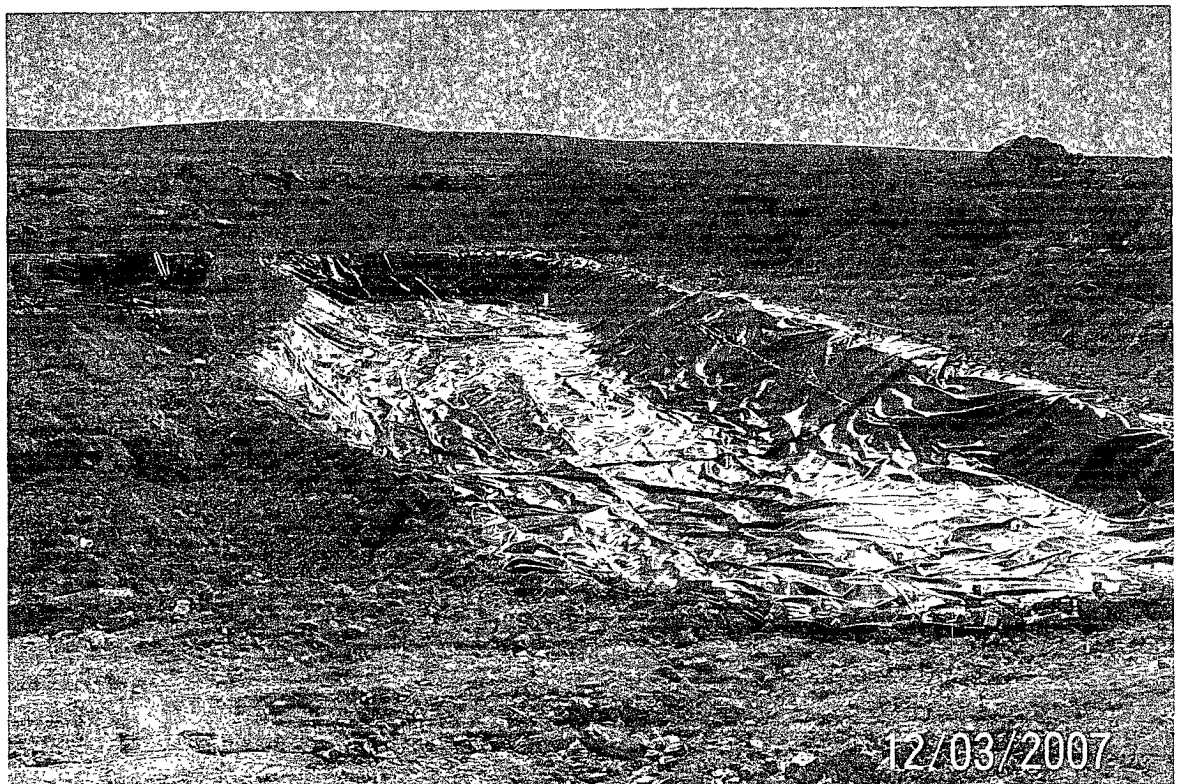
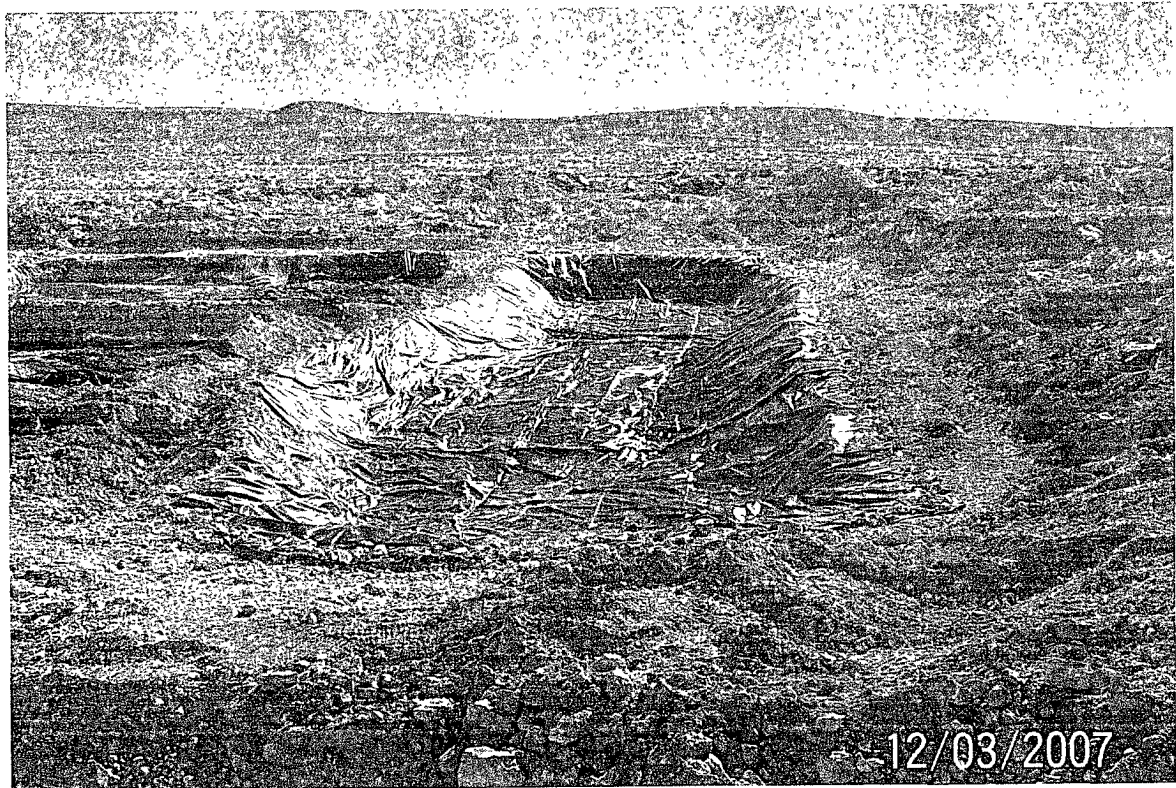
Approval: _____ Signed By: [Signature] Date: OCT 10 2007
Printed Name/Title: _____ Signature: _____

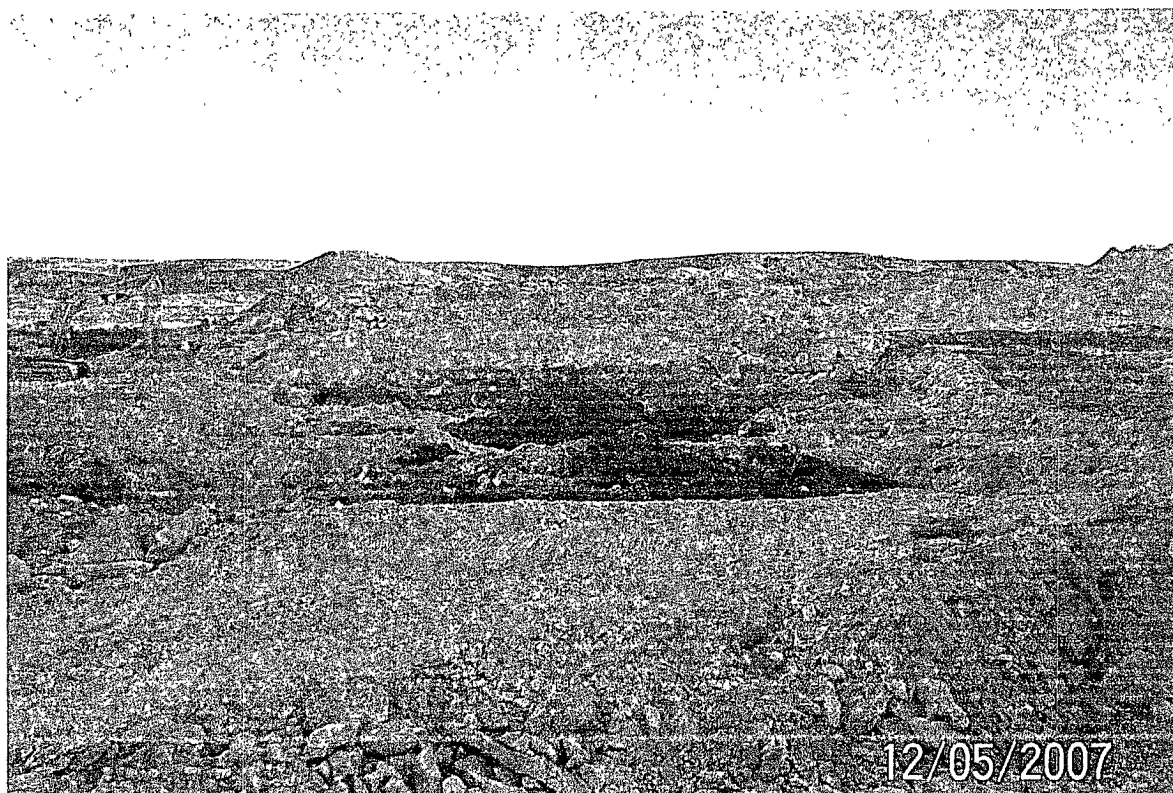
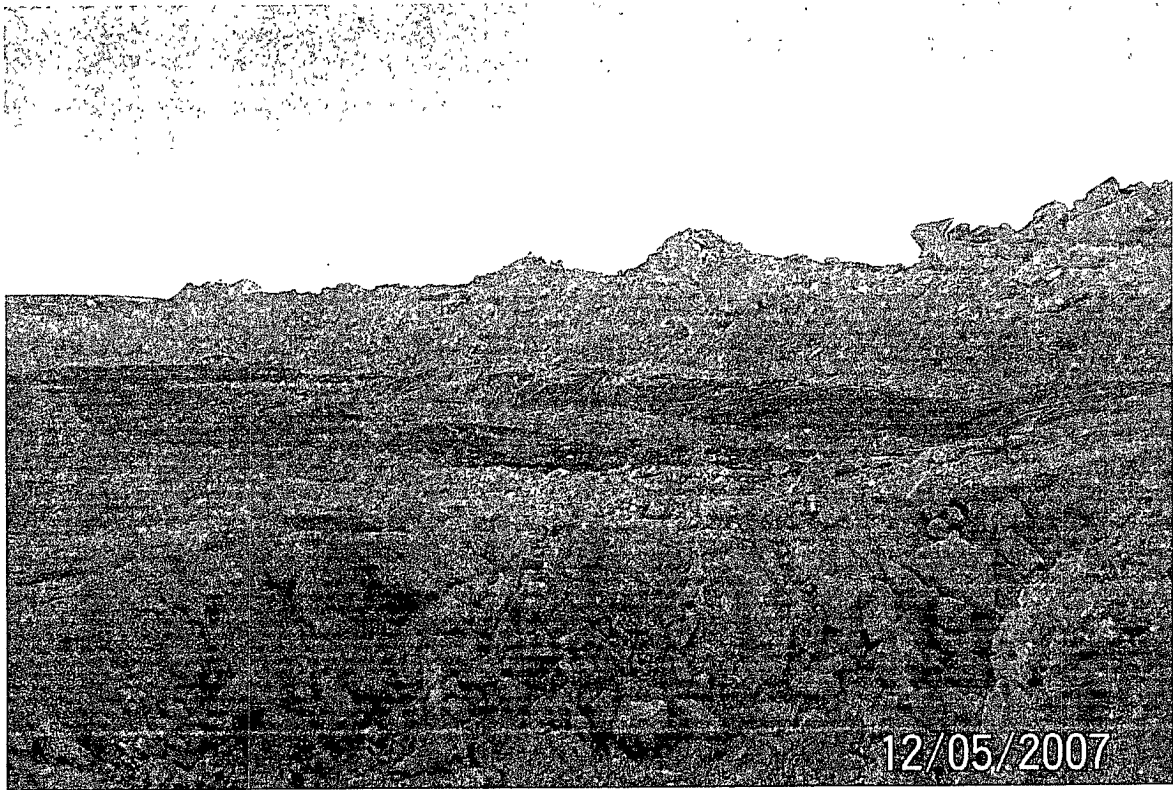
If burial trench is to be constructed in pit area, samples are to be obtained and analyses submitted to OCD PRIOR to lining trench.

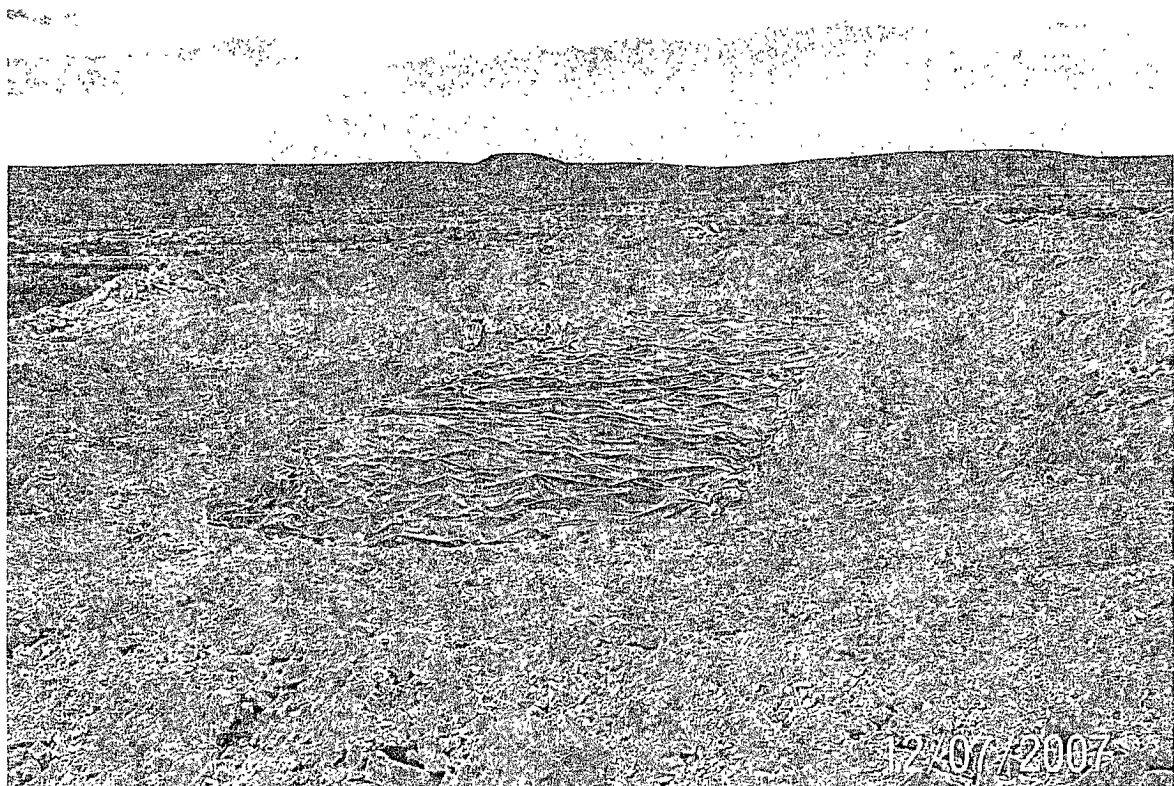
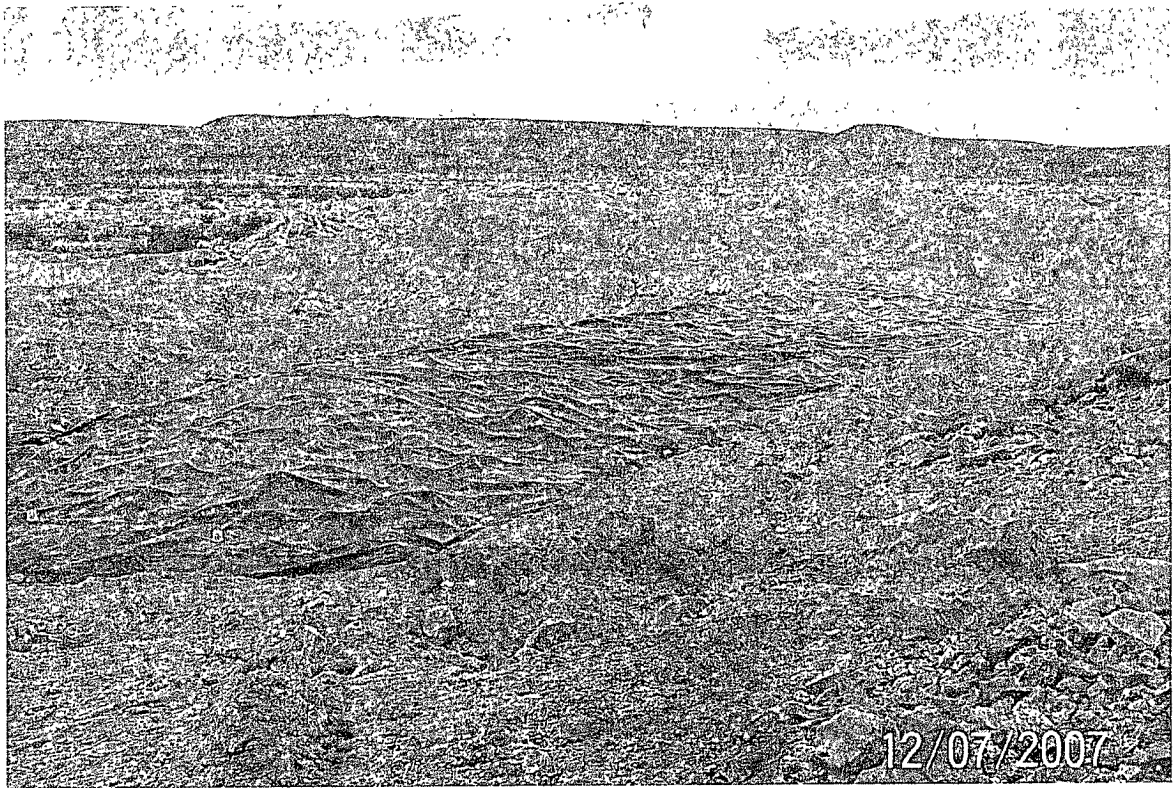
NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

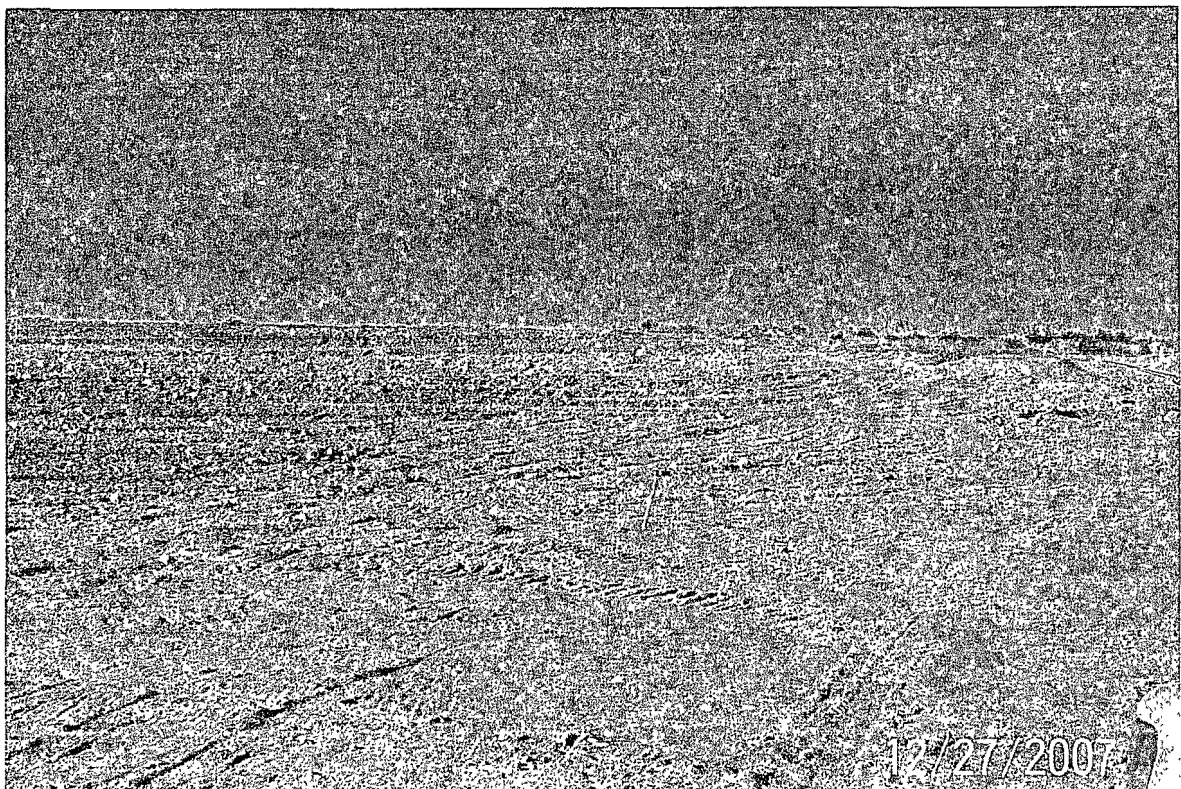
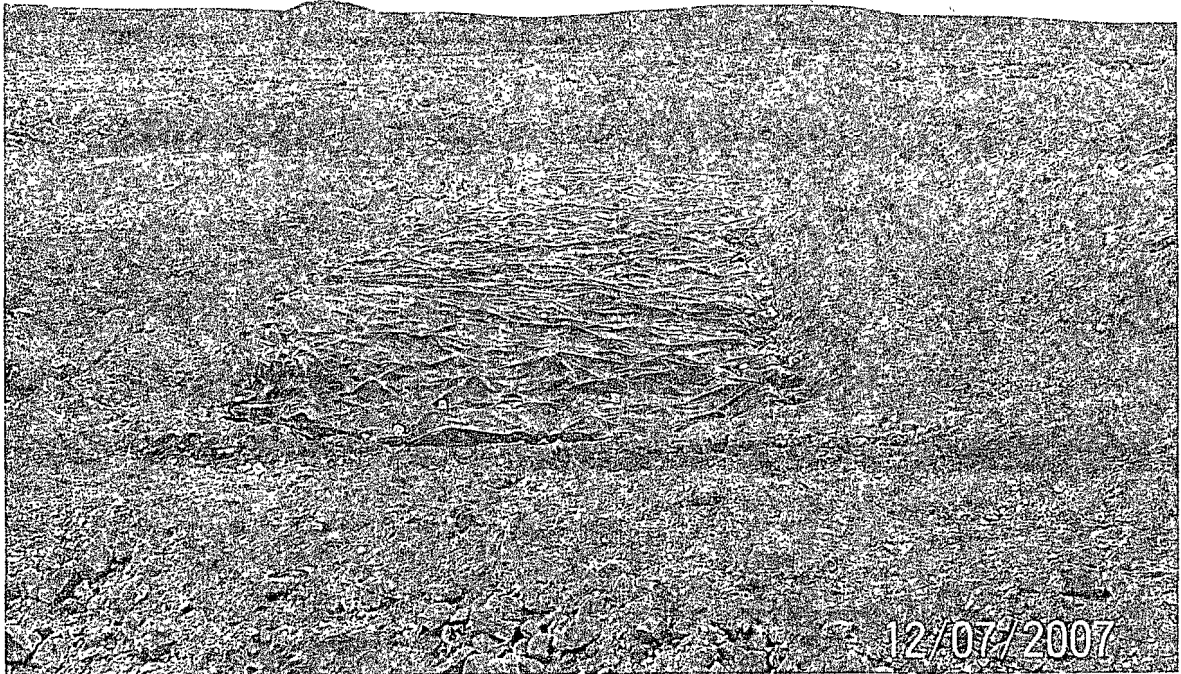














NEW MEXICO ONE CALL
Locate Request Confirmation

Ticket #:2007440633 Reason Code:STANDARD LOCATE
Work to Begin Date: 10/31/2007 Time: 03:06:00 PM

CALLER INFORMATION

MARLAENA LEWIS Excavator Type:CONTRACTOR
NEW MEXICO ENVIRONMENTAL SERVICES Tel.:(505)392-9575

DIG LOCATION

City:RURAL EDDY
Subdivision:
Address : To:
Street : *HORSESHOE 33 STATE #1
Nearest Intersecting Street :
Second Intersecting Street :

Additional Dig Information:

10710291417070 --FROM EL PASO HWY & HIDALGO RD IN
CARLSBAD GO W ON HIDALGO RD 9.4MI TO DARK CANYON
RD - T/W AND GO 4.8MI - T/NW ON LEASE RD AND
GO 0.6MI ONTO LOCATION === SPOT 600' RADIUS OF
WELL HEAD

Remarks:

Township: 23S Range: 25E Section 1/4: 33 SW

Type of Work: DEEP BURY RESERVE PIT

The following utility owners have been notified of
your proposed excavation site:
NMOC CLEAR

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 time of this confirmation notice before you begin excavation. This request is valid for ten working days. Only the facility owners listed

10/29/2007 MON 02:29 [TX/RX NO 7590] 001