

District I
1625 N. French Dr., Hobbs, NM 88240
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

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

PC
3/21/06
Form C-144
June 1, 2004
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 ☒

Operator: V-F PETROLEUM INC. Telephone: (432) 683-3344 e-mail address: sandy@vfpetroleum.com

Address: P.O. BOX 1889, MIDLAND, TEXAS 79702

Facility or well name: MERCHANT "A" API #: 30-025-27687 U/L or Qtr/Qtr L Sec 30 T 21-S R 35-E

County: LEA Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐

Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit

Type: Drilling ☐ Production ☐ Disposal ☐

Workover ☒ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 6 mil Clay ☐

Pit Volume 50 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) X
	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.)	Yes	(20 points)
	No	(0 points) X
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) X
Ranking Score (Total Points)		20 POINTS

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 Lea Land farm. (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: Begin excavation 01/17/06. Excavate and haul 68.98 tons of dirt to Lea Land farm. Collect soil samples per diagram and took to Cardinal Laboratories, Inc. Excavate and haul additional 19.05 tons of dirt. Re sample #H10632-3 and take to Cardinal Laboratories, Inc. Backfill pit with sandy soil. All on site work Performed by Gandy Corporation, P.O. Box 827, Tatum, NM 88267

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: 03/13/06

Printed Name/Title S.K. LAWLIS, Vice President Signature S.K. Lawlis

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.

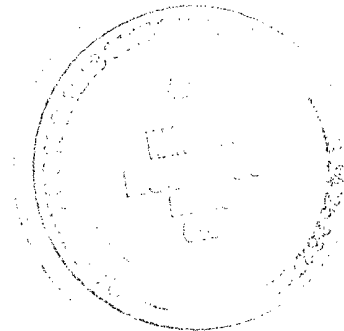
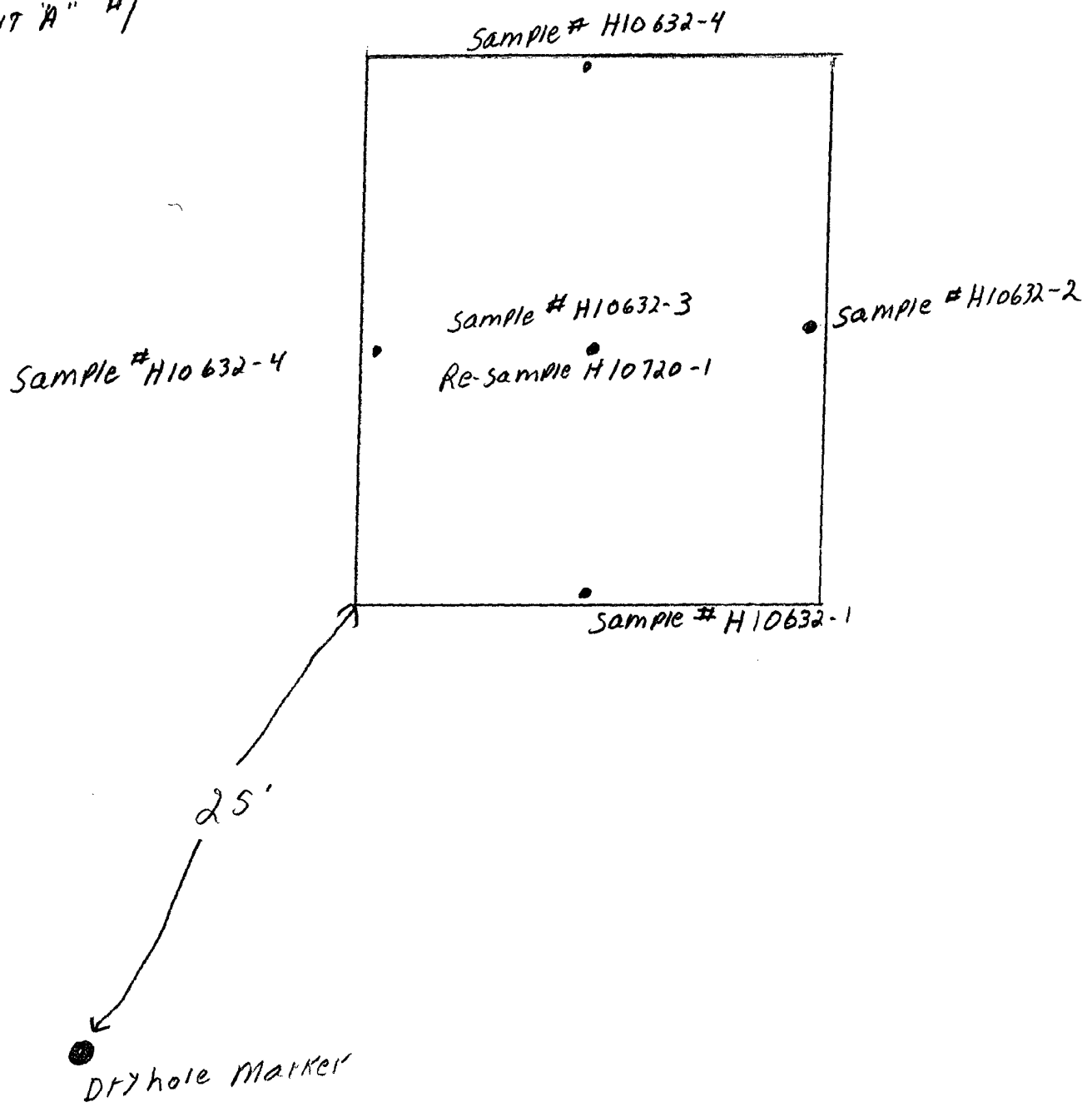
Approval:

Printed Name/Title Paul Sheeley Signature Paul Sheeley Date: 3-21-06

ENVIRONMENTAL ENGINEER

mailed copy to V-F Pet.

V- f Petroleum, Inc.
Merchant "A" #1

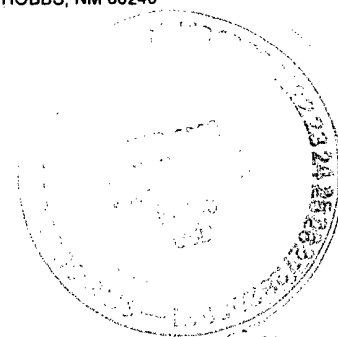




PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
GANDY CORPORATION
ATTN: JOEL MUNOZ AND LARRY GANDY
PO BOX 827
TATUM, NM 88267
FAX TO: 505-396-6887



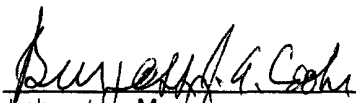
Receiving Date: 1/18/06
Reporting Date: 1/20/06
Project Number: 001
Project Name: CLEAN UP WORKING PIT
Project Location: SEC 30 T215-R35E

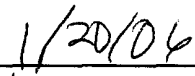
Sampling Date: 1/18/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: JC

LAB NUMBER	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYLBENZE (mg/kg)	TOTAL XYLENES (mg/kg)
------------	-----------	--------------------	--------------------	-----------------------	-----------------------------

ANALYSIS DATE:		1/20/2006	1/20/2006	1/20/2006	1/20/2006
H10632-1	MERCHANT "A" SOUTH WALL	<0.002	<0.002	<0.002	<0.006
H10632-2	MERCHANT "A" EAST WALL	<0.002	<0.002	<0.002	<0.006
H10632-3	MERCHANT "A" BOTTOM SAMPL	<0.002	<0.002	<0.002	<0.006
H10632-4	MERCHANT "A" NORTH WALL	<0.002	<0.002	<0.002	<0.006
H10632-5	MERCHANT "A" WEST WALL	<0.002	<0.002	<0.002	<0.006
Quality Control		0.104	0.098	0.100	0.279
True Value QC		0.100	0.100	0.100	0.300
% Recovery		104%	98%	100%	93%
Relative Percent Difference		4.0%	5.5%	5.4%	5.6%

METHODS: EPA - SW 846-8021B, 5030B; Gas Chromatography


Laboratory Manager


Date

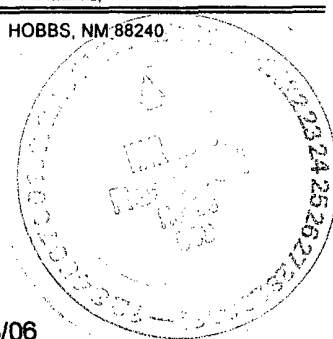
PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
GANDY CORPORATION
ATTN: JOEL MUNOZ & LARRY GANDY
P.O. BOX 827
TATUM, NM 88267
FAX TO: (505) 396-6887



Receiving Date: 01/18/06
Reporting Date: 01/23/06
Project Number: 001
Project Name: CLEAN UP WORKING PIT
Project Location: SEC 30 T21S R35E

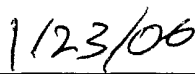
Sampling Date: 01/18/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
		01/18/06	01/18/06	01/19/06
H10632-1	MERCHANT "A" S. WALL	<10.0	<10.0	704
H10632-2	MERCHANT "A" E. WALL	<10.0	<10.0	48
H10632-3	MERCHANT "A" BTM. SMPL.	<10.0	<10.0	2260
H10632-4	MERCHANT "A" N. WALL	<10.0	<10.0	16
H10632-5	MERCHANT "A" W. WALL	<10.0	<10.0	48
Quality Control		767	803	500
True Value QC		800	800	500
% Recovery		95.9	100	100
Relative Percent Difference		2.1	8.7	0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CI

*Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

H10632A.XLS

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



2111 Beechwood, Abilene, TX 79603 (915) 673-7001 Fax (915) 673-7020
101 East Marland, Hobbs, NM 88240 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page ____ of ____

PLEASE NOTE: Liability and Damages, Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

† Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.



PHONE (325) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
V-F PETROLEUM
ATTN: LARRY GANDY
P.O. BOX 827
TATUM, NM 88267
FAX TO: (505) 396-6887

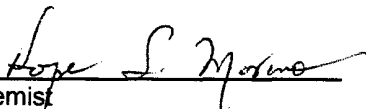
Receiving Date: 02/09/06
Reporting Date: 02/10/06
Project Number: 001
Project Name: CLEAN UP
Project Location: MERCHANTS ST #1

Analysis Date: 02/10/06
Sampling Date: 02/09/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H10720-1	BOTTOM	32
Quality Control		490
True Value QC		500
% Recovery		98
Relative Percent Difference		0.02

METHOD: Standard Methods	4500-Cl ⁻ B
--------------------------	------------------------

NOTE: Analysis performed on a 1:4 w:v aqueous extract.


Chemist

02-10-06
Date

H10720



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

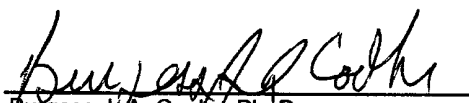
ANALYTICAL RESULTS FOR
V-F PETROLEUM
ATTN: LARRY GANDY
P.O. BOX 827
TATUM, NM 88267
FAX TO: (505) 396-6887

Receiving Date: 02/09/06
Reporting Date: 02/14/06
Project Number: 001
Project Name: CLEAN UP
Project Location: MERCHANTS ST #1

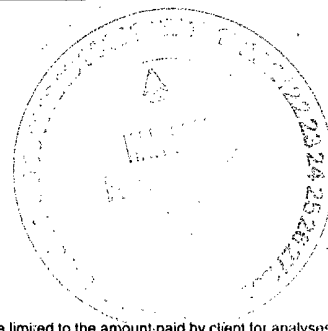
Sampling Date: 02/09/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		02/13/06	02/13/06	02/13/06	02/13/06	02/13/06	02/13/06
H10720-1	BOTTOM	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
Quality Control		730	780	0.101	0.098	0.097	0.265
True Value QC		800	800	0.100	0.100	0.100	0.300
% Recovery		91.2	97.5	101	98.1	96.8	95.3
Relative Percent Difference		7.3	4.0	5.9	2.8	5.0	3.0

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8260.


Burgess J.A. Cooke, Ph.D.

2/14/06
Date



H10720A.XLS

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



(325) 673-7001 Fax (325) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page of

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in tort, contract or otherwise shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the analyses, regardless of whether such claim is based on any of the above-stated reasons or otherwise. Any claim arising with Cardinal and its conditions of service shall be charged on all accounts more than 30 days past due at the rate of 2 1/2% per annum from the original date of invoice, and all costs of collection including attorney's fees.

Sampler Relinquished: Date: _____ Time: _____		Received By: _____		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Relinquished By: <i>Joe Manoy</i>		Received By: (Lab Staff) <i>Neil Fuller</i>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Delivered By: (Circle One) Sampler - UPS - Bus - Other: _____		Sample Condition Temp, °C _____ Intact? <input type="checkbox"/> Yes <input type="checkbox"/> No		Checked By: (Initials) <i>NA</i>	
REMARKS:					

† Cardinal cannot accept verbal changes. Please fax written changes to (325) 673-7020.