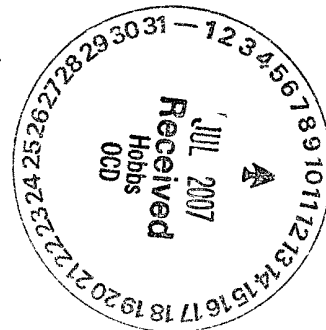




ENVIRONMENTAL PLUS, INC.
CONSULTING AND ENVIRONMENTAL REMEDIATION

9 July 2007

Mr. Larry Johnson, Environmental Engineer
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division Environmental Bureau
1625 North French Drive
Hobbs, New Mexico 88240



Re: Initial C-144
McDonnold Operating, Inc.
Little Woolworth #4 (EPI Ref. #110026)
UL-L, Section 28, Township 24 South, Range 37 East

Dear Mr. Johnson:

Environmental Plus, Inc. (EPI), on behalf of Mr. Craig McDonnold, McDonnold Operating, Inc., submits the enclosed New Mexico Oil Conservation Division (NMOCD) form C-144 and supporting information. McDonnold Operating, Inc. is proposing to close the blow-down pit at the above-referenced well site in accordance with the NMOCD Pit and Below-Grade Tank Guidelines. Please direct all official communications and correspondence to:

McDonnold Operating, Inc.
Craig McDonnold, President
505 North Big Spring, Suite 204
Midland, Texas 79701
Telephone: (432) 682-3499
Email: craig@mcdonnold.net

Should you have any technical questions, concerns or need additional information, please call at (505) 394-3481 or via e-mail at dduncan@envplus.net.

Sincerely,

ENVIRONMENTAL PLUS, INC.

David P. Duncan
Civil Engineer

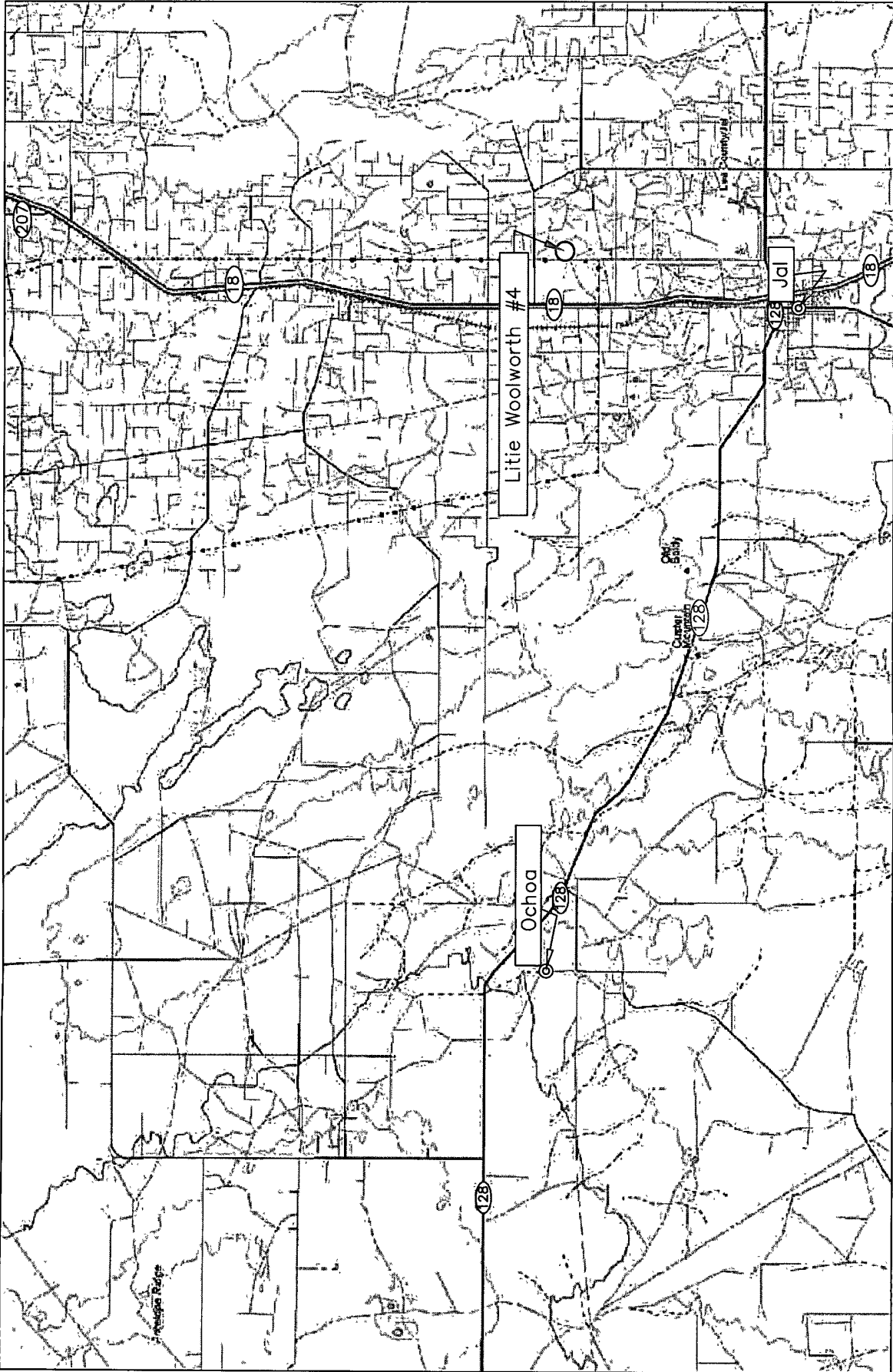
ENVIRONMENTAL PLUS, INC.



cc: Craig M. McDonnold, McDonnold Operating, Inc., Midland, TX
Woolworth Foundation/Jal Library Trust, Landowner, Jal, New Mexico
File

Enclosures: Area Map
Site Location Map
Site Map
Well Data Table
Photographs
NMOCD Form C-144

ENCLOSURES



<p>Figure 1 Area Map McDonnold Operating, Inc. Litie Woolworth #4</p>	<p>Lea County, New Mexico NW 1/4 of the SW 1/4, Sec. 28, T24S, R37E N 32°11' 08.39" W 103°10' 23.34" Elevation: 3,260 feet amsl</p>	<p>DWG By: Daniel Dominguez May 2007</p>	<p>REVISED:</p> <p>0 3 6 Miles</p> <p>SHEET 1 of 1</p>
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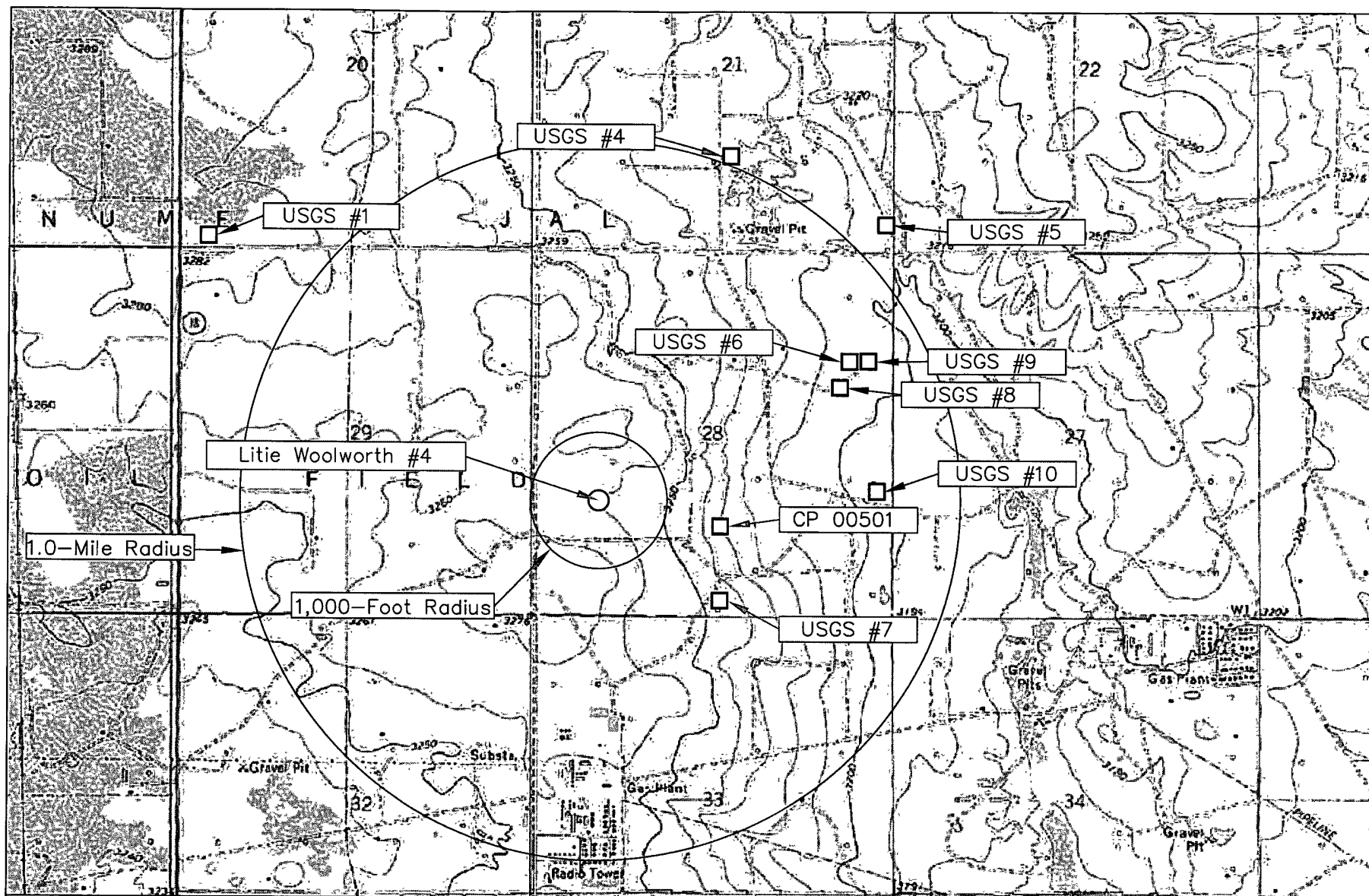
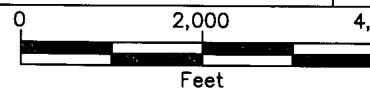


Figure 2
Site Location Map
McDonnold Operating, Inc.
Litie Woolworth #4

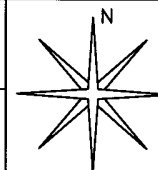
Lea County, New Mexico
NW 1/4 of the SW 1/4, Sec. 28, T24S, R37E
N 32°11' 08.39" W 103°10' 23.34"
Elevation: 3,260 feet amsl

DWG By: Daniel Dominguez
May 2007

REVISED:



SHEET
1 of 1



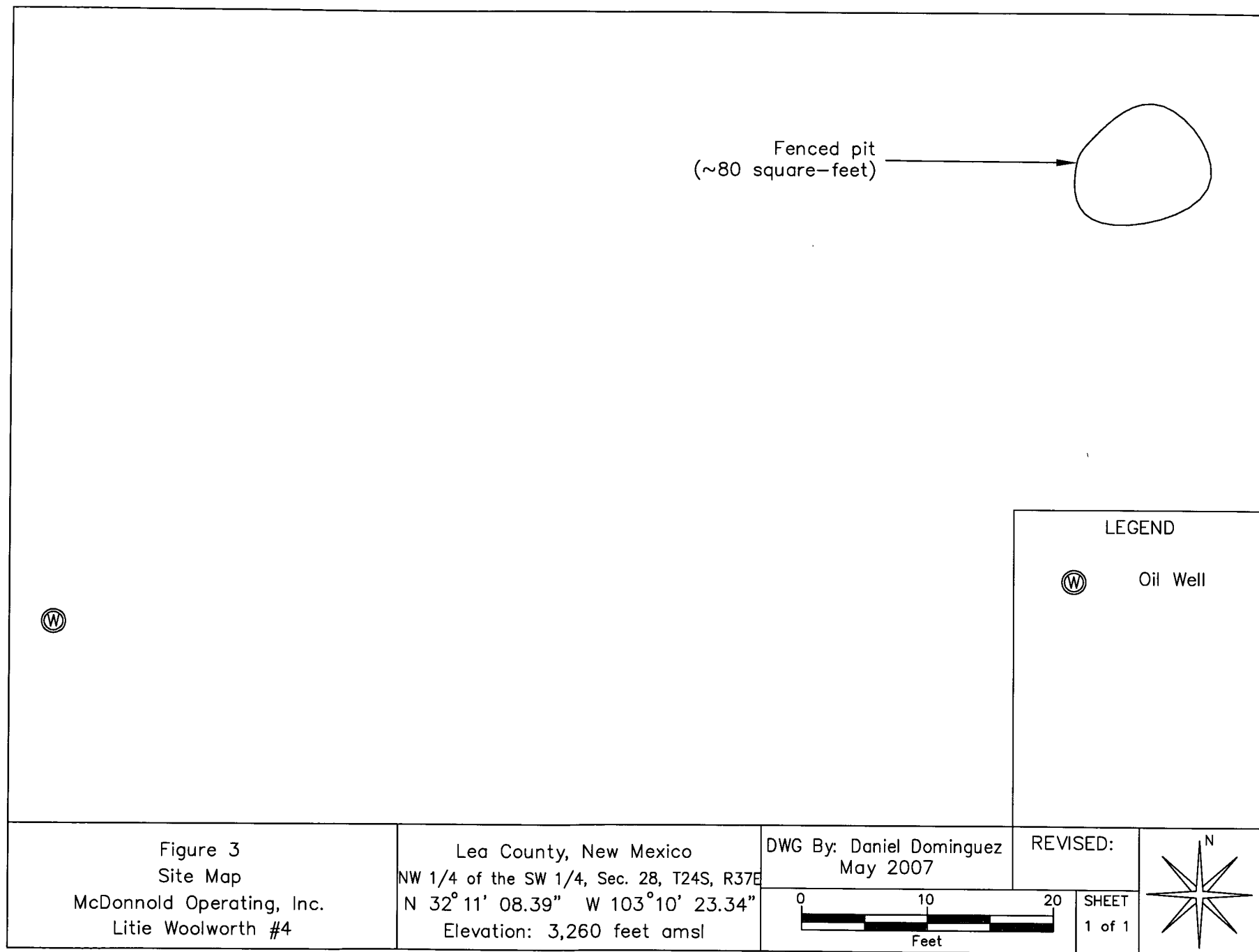


TABLE 1

Well Data

McDonnold Operating, Inc - Litie Woolworth #4 (Ref. # 110026)

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation ^B	Depth to Water
											(ft bgs)
CP 00501	3	AMERADA HESS CORPORATION	SAN	24S	37E	28 4 1 4	N32° 11' 4.39"	W103° 10' 2.56"	14-Mar-72	3,237	70
USGS #1				24S	37E	20 3 3 3			28-Feb-96	3,287	120.54
USGS #4				24S	37E	21 4 1 3			17-Mar-81	3,225	256.8
USGS #5				24S	37E	21 4 4 4			02-Mar-53	3,215	69.64
USGS #6				24S	37E	28 2 4 2			17-Mar-81	3,212	64.39
USGS #7				24S	37E	28 4 3 3			26-Feb-68	3,251	274.3
USGS #8				24S	37E	28 2 4 1			14-Jan-76	3,210	57.71
USGS #9				24S	37E	28 2 4 2			28-Feb-96	3,209	291.8
USGS #10				24S	37E	28 4 2 4			27-Oct-77	3,202	57.24
USGS #2				24S	37E	21 2 2 2			27-Feb-68	3,242	84.51
USGS #3				24S	37E	21 2 4 2			17-Mar-81	3,227	83.22

Data obtained from the New Mexico Office of the State Engineer Website (http://iwaters.ose.state.nm.us:7001/iWATERS/wr_RegisServlet1) and USGS Database.

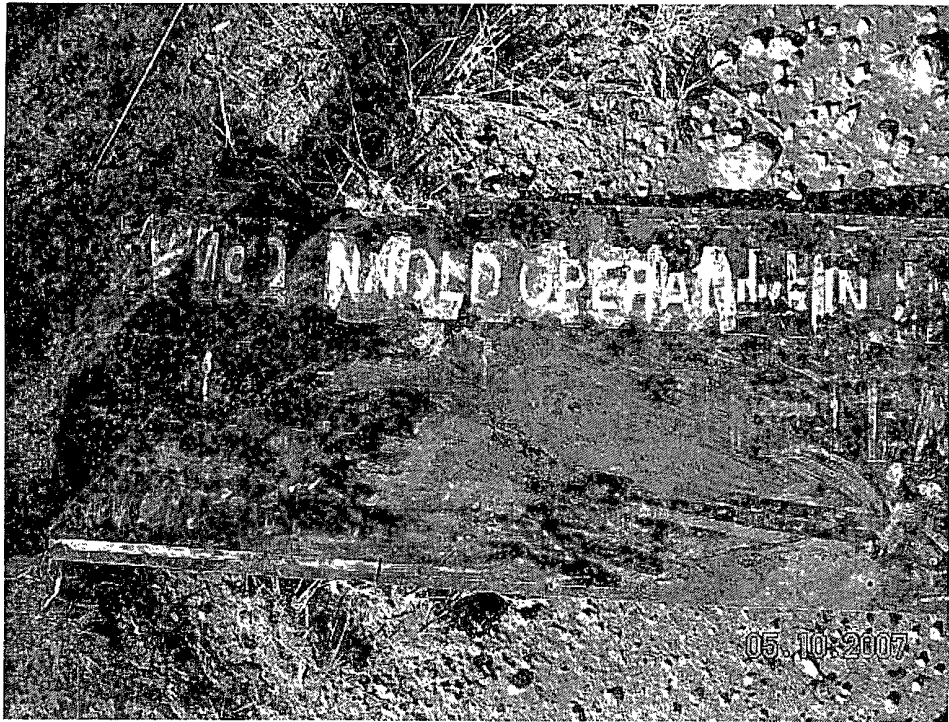
^A = In acre feet per anum

^B = Elevation interpolated from USGS topographical map based on referenced location.

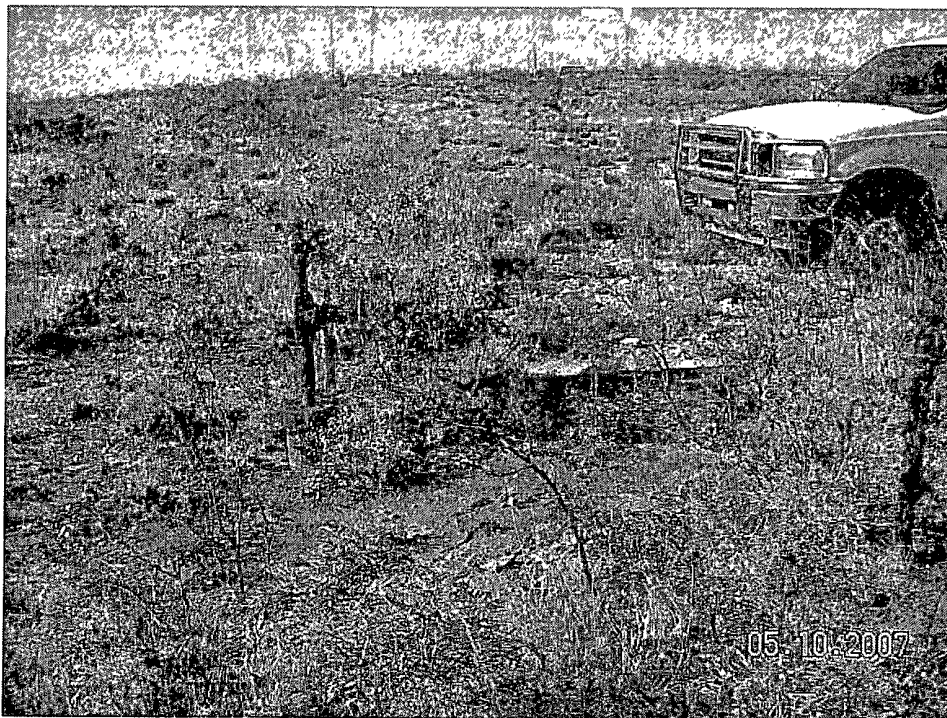
SAN = 72-12-1 Sanitary in conjunction with a commercial use

quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are biggest to smallest

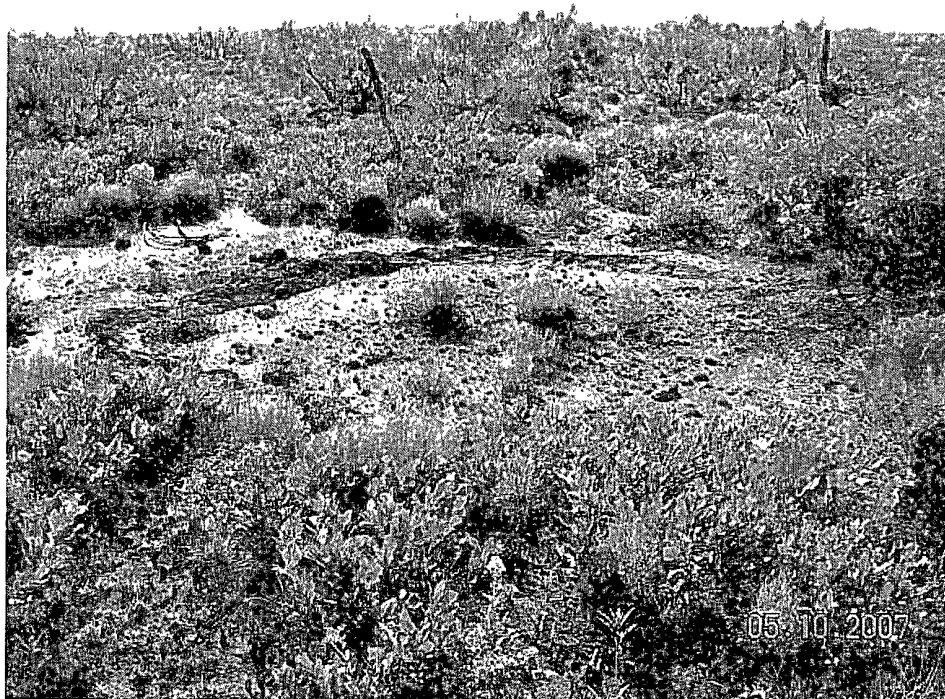
Shaded area indicates wells not shown in Figure 2



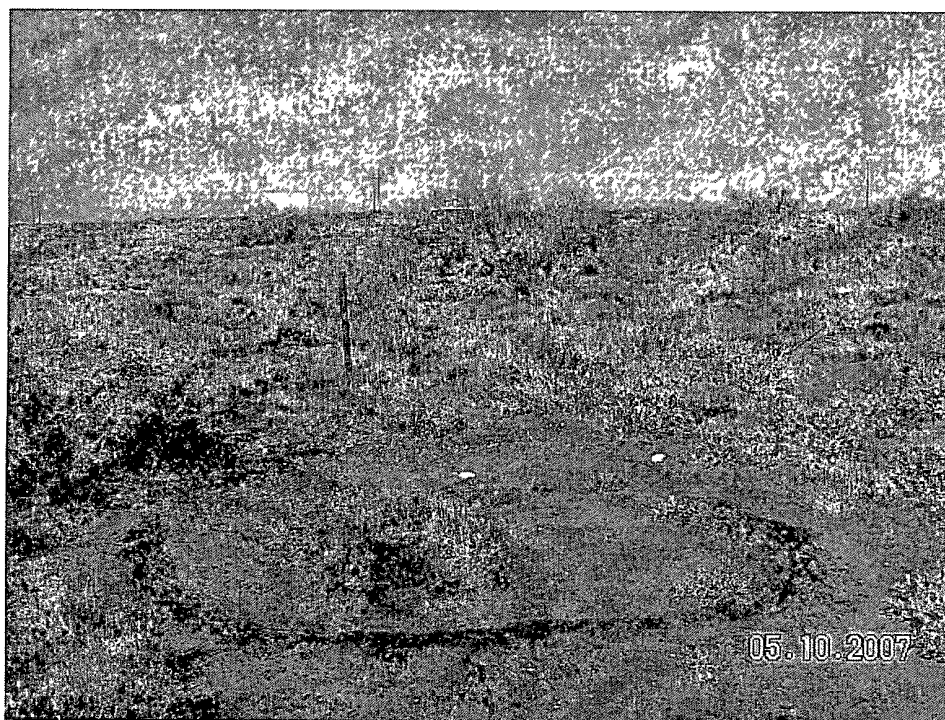
Photograph #1- Lease sign.



Photograph #2 – Oil well, looking westerly.



Photograph #3 – Blow-down pit, looking north-easterly.



Photograph #4 – Blow-down pit.

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

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 ☐

INITIAL

Operator: McDonnold Operating, Inc.		Telephone: 432.682.3499	e-mail address: craig@mcdonnold.com
Address: 505 North Big Spring, Suite 204		Midland, Texas 79701	
Facility or well name: Litie Woolworth #4		API #: 3002512680000	Unit Letter (UL): L
County: Lea	Latitude: N 32°11'08.39"	Longitude: W 103°10'23.34"	NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> WGS 84 <input checked="" type="checkbox"/>
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> (Woolworth Foundation/Jal Library Trust) Indian <input type="checkbox"/>			
Pit			
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/>		Below-grade tank	
Lined <input type="checkbox"/> Unlined <input checked="" type="checkbox"/>		Volume: bbl Type of fluid:	
Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/>		Construction material:	
Pit Volume: ~0 bbl		Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) ~130' bgs		Less than 50 feet	(20 points) <input type="checkbox"/>
		50 feet or more, but less than 100 feet	(10 points) <input type="checkbox"/>
		100 feet or more	(0 points) <input checked="" type="checkbox"/>
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) <input type="checkbox"/>
		No	(0 points) <input checked="" type="checkbox"/>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)		Less than 200 feet	(20 points) <input type="checkbox"/>
		200 feet or more, but less than 1,000 feet	(10 points) <input type="checkbox"/>
		1,000 feet or more	(0 points) <input checked="" type="checkbox"/>
		Ranking Score (Total Points)	
		0	

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 Sundance Services, Inc. (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: It is proposed to close this pit consistent with the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 as promulgated under NMOCD Rule 50 (19.15.2.50 NMAC).

Pit Status: Liner intact ☐ Liner punctured or torn ☐

Method of Closure: The pit contents (asphaltine, impacted soil, etc.) will be excavated and transported to Sundance Services, Inc. for disposal. Horizontal and vertical limits of excavation will extend a minimum of two (2) feet beyond pits original configuration. Soil samples collected from the bottom and sidewalls of the excavation will be submitted to an independent laboratory for analyses of BTEX constituents, TPH, chloride and sulfate concentrations. Dependent on laboratory analytical results, the pit will either be backfilled immediately or require additional excavation until impacted soil is removed and disposed. The excavation will be backfilled with imported or local soil (if approved by property owner) from bottom of excavation to original ground surface. The disturbed area will be contoured to allow natural drainage and seeded with a blend preferred by the property owner.

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

Date: 6/14/07 Printed Name/Title: Mr. Craig McDonnold, President Signature: Craig M. McDonnold

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: L. JOHNSON, ENVIRON Signature: [Signature] Date: 7.11.07

* COMPLETION REQUIRED BY 9.10.07
SUBMIT FINAL DOCUMENTATION w/ FINAL C-144