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

OCD Copy

November 14, 2007

Chris Williams
NMOCD District 1 Office
1625 N. French Dr
Hobbs, New Mexico 88240

RE: Eunice Southwest 8 State Com 001 - Final Pit Closure

Eunice Southwest 8 State Com 001	Depth to Ground Water: 100-125'
API: 30-025-37779	Planned Analytical Testing: Chlorides
Sec 08-T21S-R35E	Site Ranking Score: 0 (zero)
1400' FSL & 1650' FWL	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 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 (a diagram has also been attached):

Q1	9' 250mg/kg	Q2	9' 210mg/kg	Q3	9' 965mg/kg 11' 440mg/kg 13' 250mg/kg
Q4	9' 8000mg/kg 11' 3670mg/kg 13' 450mg/kg 16' 220mg/kg	Q5	9' 8100mg/kg 11' 1000mg/kg 13' 4100mg/kg 15' 11000mg/kg 18' 2800mg/kg 20' 2000mg/kg 23' 1270mg/kg 26' 250mg/kg		

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

> No additional material will need to be excavated from the impacted area, but a 20mil cap will need to be placed over the entire drill pit.

Pursuant to NMOCD Pit Rule 50, a 20mil liner was placed on top of the Insitu trench to seal in the impacted soils and the stiffened drill cuttings. Additionally, a 20mil liner was also placed over the entire drill pit to prevent any migration of the remaining chloride impact. The pit area was backfilled with clean native material and contoured to the surrounding terrain.

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

OK. Chris Williams
Closure approved 12/21/07

~~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

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: Mewbourne Oil Telephone (505)393-5905 e-mail address:
Address: P.O. Box 5270 Hobbs NM 88240
Facility or well name: Eunice Southwest 8 St. #1 API #: 30-025-37779 U/L or Qtr/Qtr K Sec 8 T 21S R 35E
County: Lea Latitude N32°29'24.4" Longitude W103°23'34.4" NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit	Below-grade tank		
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume _____ bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not. over 100' to water		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)	0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	0
	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 your 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: Refer to Attached Pit Closure Plan

12345

OCT
Received
Hobbs
OCD

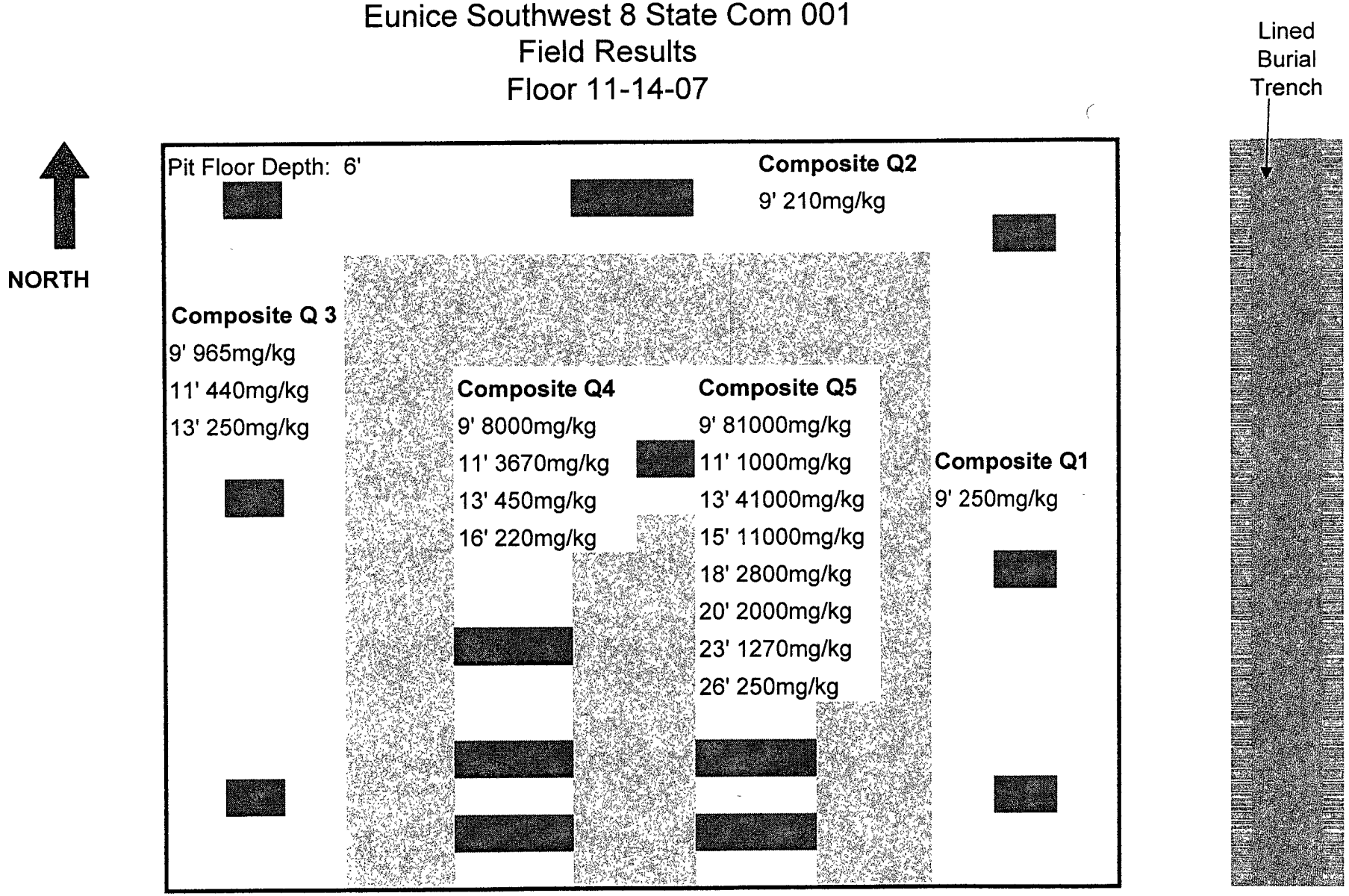
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date:
Printed Name/Title Dusty L. Wilson / Field Super. 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:
Printed Name/Title _____ Signature ENVIRONMENTAL ENGINEER Date: 10.3.07

Eunice Southwest 8 State Com 001
Field Results
Floor 11-14-07



Valley Energy Services, Inc.

PO Box 207
Loving, NM 88256

Invoice

Date	Invoice #
11/14/2007	659

Bill To
Mewbourne Oil Company Robin Terrell PO Box 5270 Hobbs, NM 88241

Terms	Rep
Due on receipt	SJT

Location
Eunice Southwest 8 St Co...

Quantity	Item Code	Description	Price Each	Amount
6	Enviro Sampling	pulled infield analysis for delineation; contacted Larry Johnson of the NMOCD -- approval for closure was granted	70.00	420.00T
0.75	Enviro Reports		70.00	52.50T
0.5	Enviro misc	prepared, packaged and sent samples to Trace Analysis for official analyticals	70.00	35.00T
150	Mileage Charge		0.50	75.00T
		New Mexico Sales Tax	6.3125%	36.77

Total $619.27

TRACEANALYSIS, INC.

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
8808 Camp Bowie Blvd West, Suite 180 Ft Worth, Texas 76116 817•201•5260 FAX 817•560•4336
E-Mail lab@traceanalysis.com

Bill To: **Mewbourne Oil Company**
P. O. Box 5270
Hobbs, NM 88220

Attn: Robin Terrell

Invoice No. 26445

Lab Location: Lubbock
Invoice Date: 2007-11-21
Payment Due: 2007-12-21

Work Order: 7111623
Project Location: Sec 8-~~T21S-R35E~~ Lea County, ~~NM~~
Project Name: ~~Pumce~~ Southwest 8 State Com #1
Project Number: ~~API-30-025-37779~~

Item	Quantity	Matrix	Description	Price	Sub Total
Chloride/48Hr RUSH	5	soil	143070 - 143074	$29.75	$148.75

Payment Terms: Net-30

Total $148.75

Dr. Blair Leftwich, Director

RECEIVED
NOV 26 2007
BY:

Summary Report

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

Report Date: November 20, 2007

Work Order: 7111623

Project Location: Sec 8-T21S-R35E Lea County, NM
Project Name: Eunice Southwest 8 State Com #1
Project Number: API 30-025-37779

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
143070	Q1-9'	soil	2007-11-14	09:30	2007-11-16
143071	Q2-9'	soil	2007-11-14	09:45	2007-11-16
143072	Q3-13'	soil	2007-11-14	13:50	2007-11-16
143073	Q4-16'	soil	2007-11-14	13:30	2007-11-16
143074	Q5-26'	soil	2007-11-14	13:00	2007-11-16

Sample: 143070 - Q1-9'

Param	Flag	Result	Units	RL
Chloride		**268**	mg/Kg	5.00

Sample: 143071 - Q2-9'

Param	Flag	Result	Units	RL
Chloride		**68.0**	mg/Kg	5.00

Sample: 143072 - Q3-13'

Param	Flag	Result	Units	RL
Chloride		**224**	mg/Kg	5.00

Sample: 143073 - Q4-16'

Param	Flag	Result	Units	RL
Chloride		<50.0	mg/Kg	5.00

Sample: 143074 - Q5-26'

Param	Flag	Result	Units	RL
Chloride		**270**	mg/Kg	5.00

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5002 Basin Street, Suite A1 Midland, Texas 79703 432•689•6301 FAX 432•689•6313
8808 Camp Bowie Blvd West, Suite 180 Ft Worth, Texas 76116 817•201•5260 FAX 817•560•4336
E-Mail. lab@traceanalysis.com

Analytical and Quality Control Report

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

Report Date: November 20, 2007

Work Order: 7111623

Project Location: Sec 8-T21S-R35E Lea County, NM
Project Name: Eunice Southwest 8 State Com #1
Project Number: API 30-025-37779

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
143070	Q1-9'	soil	2007-11-14	09:30	2007-11-16
143071	Q2-9'	soil	2007-11-14	09:45	2007-11-16
143072	Q3-13'	soil	2007-11-14	13:50	2007-11-16
143073	Q4-16'	soil	2007-11-14	13:30	2007-11-16
143074	Q5-26'	soil	2007-11-14	13:00	2007-11-16

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

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 Eunice Southwest 8 State Com #1 were received by TraceAnalysis, Inc. on 2007-11-16 and assigned to work order 7111623. Samples for work order 7111623 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 7111623 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: 143070 - Q1-9'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43225	Date Analyzed:	2007-11-19	Analyzed By:	ER
Prep Batch:	37295	Sample Preparation:	2007-11-19	Prepared By:	ER

Parameter	Flag	Result	RL Units	Dilution	RL
Chloride		**268**	mg/Kg	10	5.00

Sample: 143071 - Q2-9'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43225	Date Analyzed:	2007-11-19	Analyzed By:	ER
Prep Batch:	37295	Sample Preparation:	2007-11-19	Prepared By:	ER

Parameter	Flag	Result	RL Units	Dilution	RL
Chloride		**68.0**	mg/Kg	10	5.00

Sample: 143072 - Q3-13'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43225	Date Analyzed:	2007-11-19	Analyzed By:	ER
Prep Batch:	37295	Sample Preparation:	2007-11-19	Prepared By:	ER

Parameter	Flag	Result	RL Units	Dilution	RL
Chloride		**224**	mg/Kg	10	5.00

Sample: 143073 - Q4-16'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43225	Date Analyzed:	2007-11-19	Analyzed By:	ER
Prep Batch:	37295	Sample Preparation:	2007-11-19	Prepared By:	ER

Parameter	Flag	Result	RL Units	Dilution	RL
Chloride		<50.0	mg/Kg	10	5.00

Sample: 143074 - Q5-26'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	43225	Date Analyzed:	2007-11-19	Analyzed By:	ER
Prep Batch:	37295	Sample Preparation:	2007-11-19	Prepared By:	ER

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		**270**	mg/Kg	10	5.00

Method Blank (1) QC Batch: 43225

QC Batch: 43225 | Date Analyzed: 2007-11-19 | Analyzed By: ER
Prep Batch: 37295 | QC Preparation: 2007-11-19 | Prepared By: ER

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

Laboratory Control Spike (LCS-1)

QC Batch: 43225 | Date Analyzed: 2007-11-19 | Analyzed By: ER
Prep Batch: 37295 | QC Preparation: 2007-11-19 | Prepared By: ER

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	101	mg/Kg	1	100	<3.25	101	96.1 - 103

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	101	mg/Kg	1	100	<3.25	101	96.1 - 103	0	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: 143074

QC Batch: 43225 | Date Analyzed: 2007-11-19 | Analyzed By: ER
Prep Batch: 37295 | QC Preparation: 2007-11-19 | Prepared By: ER

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	716	mg/Kg	10	500	270	89	80 - 120

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	744	mg/Kg	10	500	270	95	80 - 120	4	20

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

Standard (ICV-1)

QC Batch: 43225 | Date Analyzed: 2007-11-19 | Analyzed By: ER

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	98.6	99	85 - 115	2007-11-19

Standard (CCV-1)

QC Batch: 43225 Date Analyzed: 2007-11-19 Analyzed By: ER

Param	Flag	Units	CCVs True Conc	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	101	101	85 - 115	2007-11-19

TraceAnalysis, Inc.

email: lab@traceanalysis.com

LAB Order ID # 7111623

Page ____ of ____

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
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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
Ft. Worth, Texas 76116
Tel (817) 201-5260
Fax (817) 560-4336

Company Name: Mewbourne Oil Company (MOC)

Phone #:

Address: (Street, City, Zip) PO Box 5270 Hobbs, NM 88240

Fax #:

Contact Person: Robin Terrell

E-mail: Shelley + Robin

Invoice to: (If different from above)

Project #: API 30.025-37779

Project Location (including state): S16-T21S-R35E Lea County, NM

Project Name: Eurice Southwest 8 State Com #1

Sampler Signature: Shelley [signature]

ANALYSIS REQUEST (Circle or Specify Method No.)

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX: WATER	MATRIX: SOIL	MATRIX: AIR	MATRIX: SLUDGE	PRESERVATIVE METHOD: HCl	PRESERVATIVE METHOD: HNO_3	PRESERVATIVE METHOD: H_2SO_4	PRESERVATIVE METHOD: NaOH	PRESERVATIVE METHOD: ICE	PRESERVATIVE METHOD: NONE	SAMPLING: DATE	SAMPLING: TIME
143070	Q1-9'	1			X								X	11.14.07	0930
71	Q2 9'	1			X								X	11.14.07	0945
72	Q3 13'	1			X								X	11.14.07	1350
73	Q4 16'	1			X								X	11.14.07	1330
74	Q5-26'	1			X								X	11.14.07	1300

LAB #	MTBE 8021B / 602 / 8260B / 624	BTEX 8021B / 602 / 8260B / 624	TPH 418.1 / TX1005 / TX1005 Ext(C35)	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Volatiles	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol. 8260B / 624	GC/MS Semi. Vol. 8270C / 625	PCB's 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content	[illegible]	Turn Around Time if different from standard	Hold
143070																		X	48-72 hr	
71																		X		
72																		X		
73																		X		
74																		X		

Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp°c:
Shelley Quiles	LES	11-15-07	1400		FedEx	11-15-07	1400	
				[signature]		11/16/07	1020	22

LAB USE ONLY

Intact (Y) / N

Headspace Y / N / (NA)

Log-in-Review [illegible]

REMARKS: 48-72 hr

☐ Dry Weight Basis Required

☐ TRRP Report Required

☐ Check If Special Reporting Limits Are Needed

Carrier # FedEx 7997[illegible]

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LAB Order ID # 7111623 Page _____ of _____

TraceAnalysis, Inc.

email: 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: Mewbourne Oil Company (Moc) Phone #:
Address: (Street, City, Zip) PO Box 5270 Hobbs, NM 88240 Fax #:
Contact Person: Robin Terrell E-mail: Sheryl + Robin
Invoice to: (If different from above)
Project #: API 30.025-37779 Project Name: Eunice Southwest 8 State Com #1
Project Location (including state): Sec 8 - T21S - R37E Lea County, NM Sampler Signature: Sheryl Beckles

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX: WATER	SOIL	AIR	SLUDGE	PRESERVATIVE METHOD: HCl	HNO_3	H_2SO_4	NaOH	ICE	NONE	SAMPLING: DATE	TIME
143070	Q1-9'	1			X								X	11.14.07	0920
71	Q2 9'	1			X								X	11.14.07	0945
72	Q3 13'	1			X								X	11.14.07	1350
73	Q4 16'	1			X								X	11.14.07	1330
74	Q5-26'	1			X								X	11.14.07	1300

ANALYSIS REQUEST (Circle or Specify Method No.)

MTBE 8021B / 602 / 8260B / 624
BTEX 8021B / 602 / 8260B / 624
TPH 418.1 / TX1005 / TX1005 Ext(C35)
TPH 8015 GRO / DRO / TVHC
PAH 8270C / 625
Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7
TCLP Metals Ag As Ba Cd Cr Pb Se Hg
TCLP Volatiles
TCLP Semi Volatiles
TCLP Pesticides
RCI
GC/MS Vol. 8260B / 624
GC/MS Semi Vol. 8270C / 625
PCB's 8082 / 608
Pesticides 8081A / 608
BOD, TSS, pH
Moisture Content X X X X X (Chlorides)
Turn Around Time if different from standard: 48-72 hr
Hold

Relinquished by:	Company:	Date:	Time:	Received by:	Company:	Date:	Time:	Temp°c:
Sheryl Beckles	MEC	11-15-07	1400		FedEx	11-15-07	1400	
				Robert Munk		11/16/07	1120	22

LAB USE ONLY: Intact Y / N; Headspace Y / N / NA; Log-in-Review

REMARKS: 48-72 R 11/20 ED

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

Carrier # Fedex 799710110270

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

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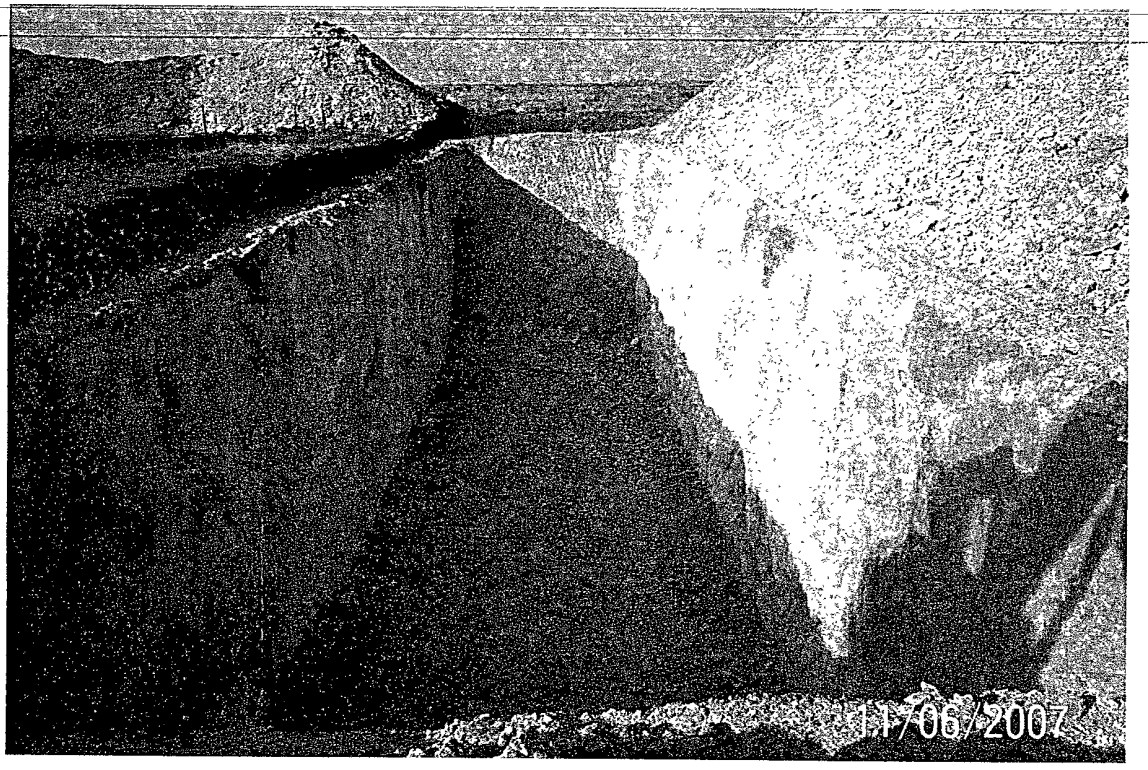
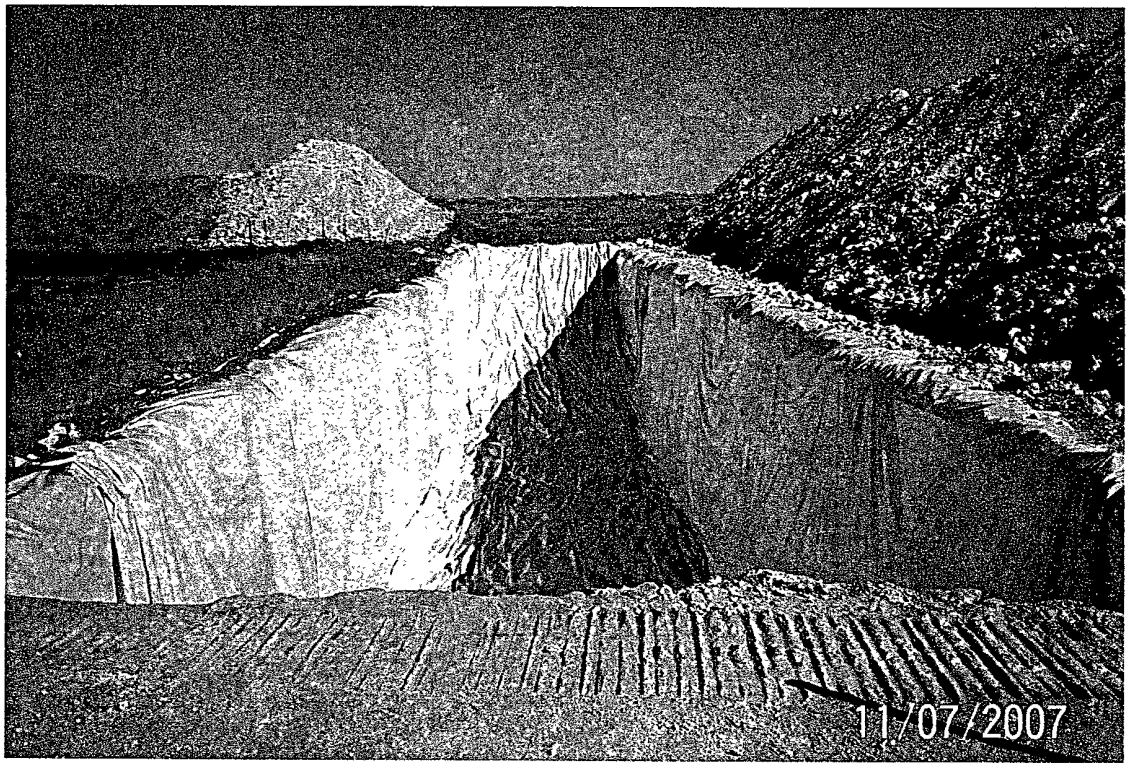
MEWBOURNE OIL COMPANY
EUNICE SOUTHWEST "8" STATE COM #1
1400' FSL & 1650' FWL
SEC. 8, T21S, R35E
LEA COUNTY, NEW MEXICO
API #30-025-37779


11/06/2007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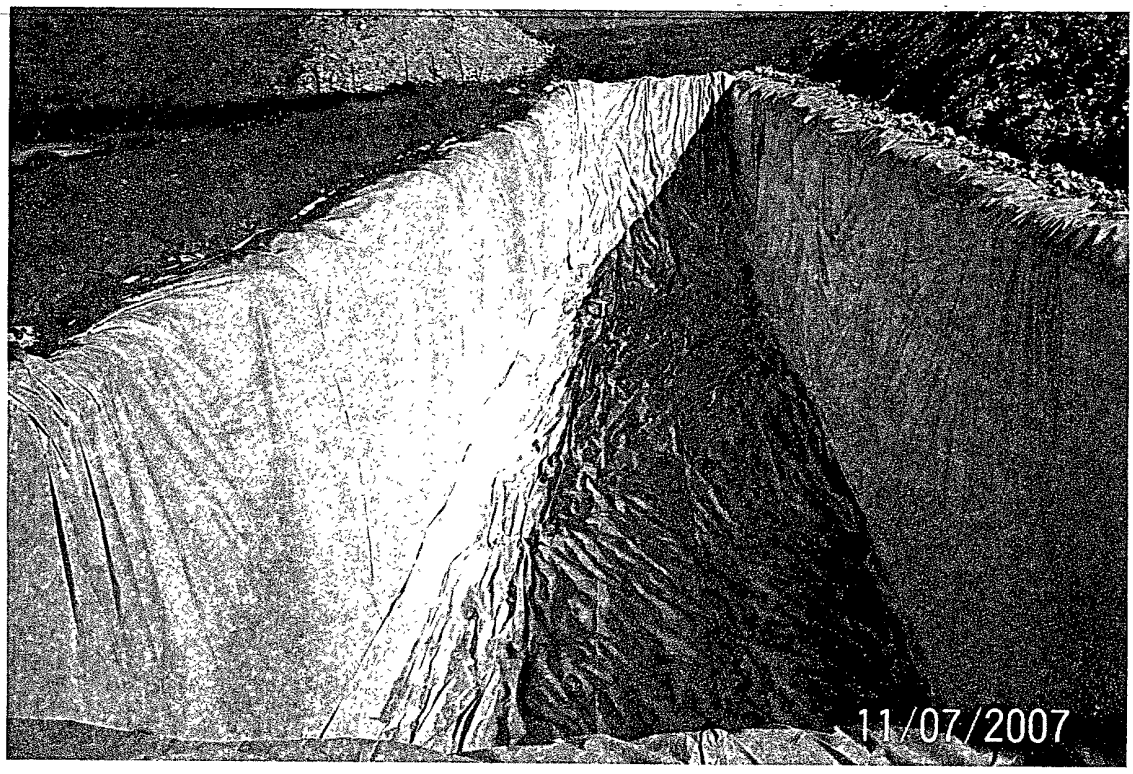
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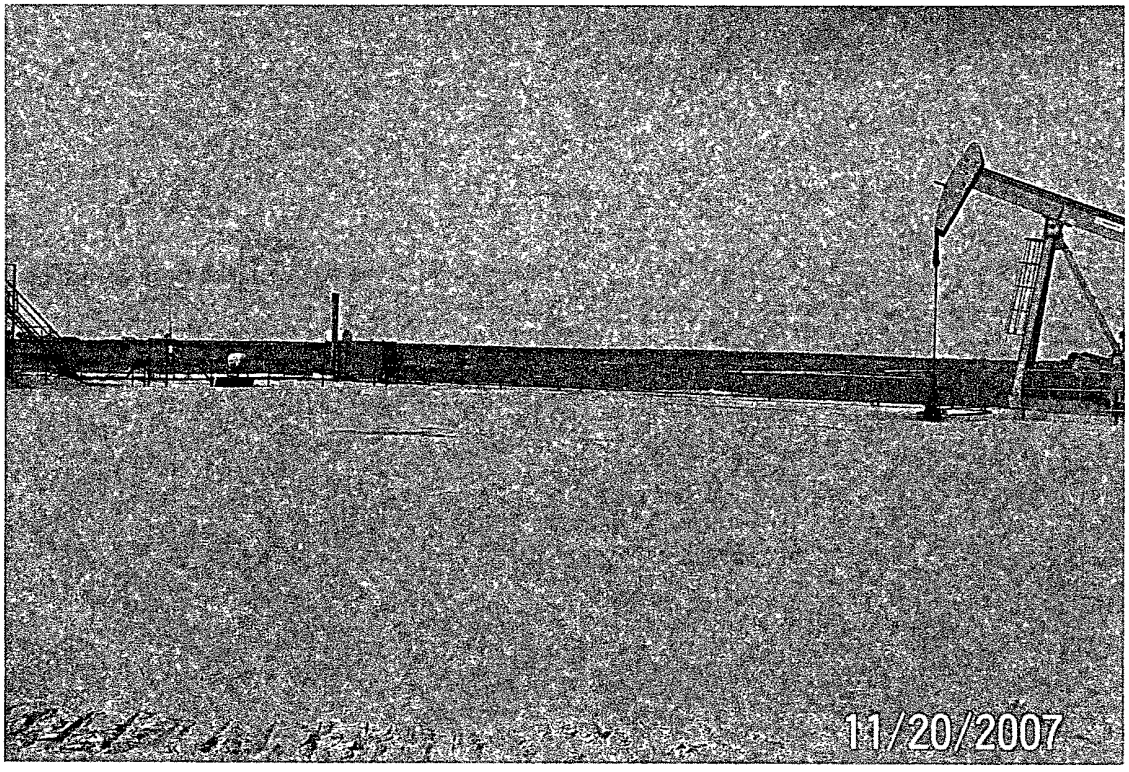
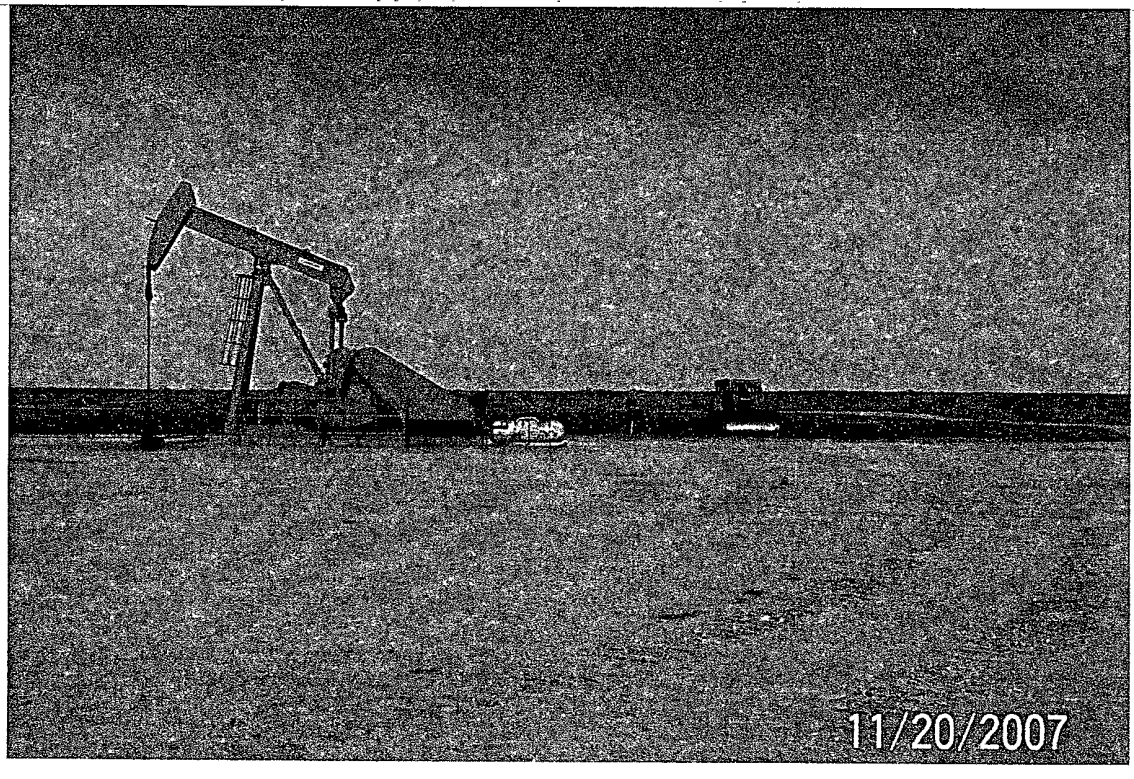

11/20/2007


11/20/2007