



**United States Department of the Interior
BUREAU OF LAND MANAGEMENT**

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-2019
www.nm.blm.gov



In Reply To:
3160 (NMPO130)
NMNM-12441
Written Order No. 13TBS2W

NOV 01 2012

Certified Mail – Return Receipt Requested
7010-1870-0002-4547-3311

Western Reserves Oil Co., Inc.
P. O. Box 993
Midland, TX 79702



NOTICE OF ORDERS OF THE BLM AUTHORIZED OFFICER

Dear Gentlemen,

Regarding Federal Lease NMNM-12441, **Bevmor 24 Federal No.2**, API #30-005-60937, 1980 FNL & 1980 FWL, SE1/4NW1/4, sec. 24, T. 5 S., R. 24 E., Chaves County, New Mexico. Following up on telephone call of 28 August 2012, between Bureau of Land Management and Mr. Ike Tavaréz, of contractor Tetra Tech, and based on internal discussion among resource specialists, we agree no deep drilling is required to determine reclamation needs of the chloride contaminated Bevmor 24 No.2 location. This Written Order requires a new Reclamation Plan for the well location. The original order, 04-081-11W, is considered completed. We will now reference this new order, 13TBS2W.

ORDERS OF THE AUTHORIZED OFFICER

The following environmental compliance problems, pursuant to 43 CFR 3162.5-1(b), which states, "... Upon the conclusion of operations, the operator shall reclaim the disturbed surface in a manner approved or reasonably prescribed by the authorized officer ..." the following environmental compliance problems were identified during the latest site inspection of the subject location. Specifically:

- **Environmental Problem No. 1:** Location needs further reclamation.

Corrective Action: Submit a new reclamation plan.

1. Provide the BLM with a new Reclamation Plan for Bevmor 24 No.2 location.
2. Provide surface owner with new Reclamation Plan, secure their written concurrence; provide BLM with a copy of that concurrence.
3. Provide New Mexico Oil Conservation Division with new Reclamation Plan, secure their written concurrence; provide BLM with a copy of that concurrence.

Accepted for record
NMOCD

11/6/12
[Signature]

Based on lab results Tetra Tech provided, of shallow and of at-depth soil samples, any one of the three reclamation options, below, are acceptable for reclamation of the entire well location. These three options are from Pecos District Drilling Pit Reclamation Procedures, Reclamation Methods/Plans, enclosed.

- Option One. Dig and haul down to clean soil. Fill with clean material such as caliche, sand, or gravel; top with at least six inches of imported clean topsoil; contour and seed.
- Option Two. Plastic liner cap. Include topping with at least six inches of imported clean topsoil; contour and seed.
- Option Three. Caliche, clay, or bentonite cap. A plastic liner is also required. Include topping with at least six inches of imported clean topsoil; contour and seed.

Please include in the new reclamation plan the following requirements:

- Entire location will need to be seeded with BLM's recommended seed mix for Loamy SD-3 Ecological Site, Loamy CP-2, Gyp Upland CP-2, enclosed.
- Reclamation of the nearby Bevmor 24 Federal No. 1 well location will be conducted at the same time as reclamation of the No.2 well.
- Include reclamation of access road between wells No. 1 and No. 2, approximately 0.6 mi.
- Provide source of "clean top soil" to be used.

Please note **Stipulation for Surface Disturbance**, enclosed.

Report your compliance to this Written Order on a Subsequent Sundry Notice on Form 3160-5 (Sundry Notice and Reports on Wells) stating the above problems have been corrected and are ready for inspection; an original and five (5) copies are required. Your liability under bond is retained until surface reclamation is complete and approved by the Authorized Officer.

In accordance with 43 CFR 3163.1(a), please comply with the corrective action(s) for the identified environmental problems no later than **19 November 2012**.

If you fail to comply within the time frame specified, you will be subject to further enforcement action as may be deemed necessary.

WARNING

Orders of the Authorized Officer or Incidents of Non Compliance and reporting time frames begin upon receipt of the Notice or 7 business days after the date it is mailed, whichever is earlier. Each problem or violation must be corrected within the prescribed time from receipt of this Notice, and reported to the Bureau of Land Management office at the address shown above.

For Incidents of Non Compliance, please note you already may have been assessed for noncompliance (see amount under "Assessed for Noncompliance"). If you do not comply as noted above under "Corrective Action to Be Completed By," you may incur additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f) (1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting an order of the authorized office or violation must request a State Director Review of the Order or Incident of Noncompliance. This request must be filed within 20 working days of receipt of the Order or Incident of Noncompliance with the appropriate State Director at P. O. Box 27115, Santa Fe, NM 87502-0115 (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, MS 300-QC, Arlington, Virginia 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Should you have any questions regarding reclamation of the **Bevmor 24 Federal No. 2** location, please contact Beth Skaggs, Environmental Protection Specialist at the Roswell Field Office, 575-627-0210.

Sincerely,
/s/ Angel Mayes

Angel Mayes
Assistant Field Manager,
Lands and Minerals

Cc:
Tetra Tech
Attn. Mr. Ike Tavaréz
1910 North Big Spring
Midland, TX 79705

Michael Bullock, surface owner
Bullock Land and Cattle Co. LLC
1200 Doña Ana Road
Roswell, NM 88201

✓ Mike Bratcher, Environmental Specialist
New Mexico Oil Conservation Division (NMOCD)
811 So. First Street
Artesia, NM 88210

Enclosures

- Pecos District Drilling Pit Reclamation Procedures, Reclamation Methods/Plans.
- Pecos District Desired Plant Community seed mixture for the Bevmor 24 Federal No.2.
- Stipulation for Archaeological Survey Limits.

-Stipulation for Archaeological Survey Limits.

References

Pecos District Drilling Pit Reclamation Procedures approved 2008.

U.S. Department of the Interior, Bureau of Land Management. 1997. Roswell Approved Resource Management Plan and Record of Decision. Roswell, New Mexico, pp. 52, 54, Soil Management, p. 55 Groundwater Management.

The Gold Book, Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development, Fourth Edition – Revised 2007, Chapter 6 – Reclamation and Abandonment.

Pecos District Drilling Pit Reclamation Procedures

Reclamation Methods/Plans

These reclamation methods/plans are examples of possible reclamation plans that the BLM or operator might implement when reclaiming drilling pits.

1. **Dig and haul** involves the removal of all drilling pit contents down to a closure level established by the New Mexico Oil Conservation Division (NMOCD). The drilling pit contents are hauled to an authorized location, which could include moving the drilling pit contents to another open pit on lease.
2. **Deep burial** per NMOCD current standards and authorization.
3. **Plastic liner cap** method involves the following:
 - Leveling the drilling pit area.
 - Removing any woody vegetation (to prevent rupture of liner).
 - Capping the drilling pit area with a 20 mil plastic cap.
 - Burying the outer edges of the plastic cap inside a one foot trench (to prevent lateral movement).
 - Covering the plastic cap with caliche or other soils that are available on location. This soil cap or stabilization layer should be adequate to stabilize the location if surface soil loss occurs due to wind or water erosion.
 - Capping the stabilization layer with 1 - 1.5 feet of soils similar to the surrounding. Contour to blend with the surrounding landscape.
4. **Caliche, clay, or bentonite cap** method involves the following:
 - Strip the caliche down to clean soils (except over the pit).
 - Spread and compact the caliche over the drilling pit area, lapping over the outside edge of the drilling pit to lessen the potential for lateral movement.
 - Should have 1.5-2 foot of material, then cap with 1.5-2 foot of clean soils similar to the surrounding.
 - Contour to blend with the surrounding landscape.
5. **No Action.** To be utilized when small areas of the drilling pit are not revegetating, and drilling salts and other contaminants are not visible or present. This would include areas where there is good drainage and the soil is stable. The disturbance caused by reclamation of these small areas would cause more damage than if the drilling pit was left alone.
6. **Other.** This may include utilizing new technology or science as it develops or authorizing an operator's reclamation plan that exceeds BLM's methods.

**Stipulation for Surface Disturbance
Archaeological Survey Limits**

Bureau of Land Management (BLM) has record of a preconstruction archaeological survey for the Bevmor 24 Federal No. 1 and No. 2 well locations. Based on these records, a Protocol Waiver has been approved by the staff Archaeologist. If you wish to avoid ordering a new archaeological survey, all remediation and reclamation surface disturbances must be kept within the previously disturbed areas. Should this not be possible, a new archaeological survey would be required, and must be approved by BLM in writing prior to any surface disturbance.

Desired Plant Community Seed Mixture

Seed the **Bevmor 24 Federal No.2** location, 1980 FNL & 1980 FWL, SE1/4NW1/4, sec. 24, T. 5 S., R. 24 E., Chaves County, New Mexico, with the Pecos District Desired Plant Community seed mixture for the Loamy SD-3 Ecological Site, Loamy CP-2, Gyp Upland CP-2, April 4, 2006.

Use a certified noxious weed free seed mixture. Use seed tested for viability and purity in accordance with State law(s) within nine months prior to purchase. Use a commercial seed mixture certified or registered and tagged in accordance with State law(s). Make the seed mixture labels available for BLM inspection.

Contact Beth Skaggs, Environmental Protection Specialist, Roswell Field Office at 575-627-0210, at least three (3) working days before seeding, and should you have any questions.

PECOS DISTRICT, BLM
SEED MIX FOR

The following Soils or Soil Association may represent these ecological sites:
Alama silt loam, dry, 0-3% Slope, Atoka, Bigetty-Pecos, Harkey fine sandy loam, Holloman, Holloman-Gypsum Land, Hollomex loam, 1-9% slope, dry, Largo loams, Milner loam, 0-2% slope, dry, Reagan loam, Reakor, Reakor-Bigetty, Reakor-Tencee, Reeves loam, 0-2% slope, dry, Russler, Shanta, Upton-Reakor

Loamy, SD-3 Ecological Site
Loamy CP-2
Gyp Upland CP-2

April 4, 2006

<u>Common Name and Preferred Variety</u>	<u>Scientific Name</u>	<u>Pounds of Pure Live Seed Per Acre</u>
Blue grama.	(<i>Bouteloua gracilis</i>)	4.0
Sideoats grama.	(<i>Bouteloua curtipendula</i>)	1.0
Sand dropseed	(<i>Sporobolus cryptandrus</i>)	0.5
Vine mesquite	(<i>Panicum obtusum</i>)	1.0
Plains bristlegrass	(<i>Setaria macrostachya</i>)	1.0
Indian blanketflower	(<i>Gaillardia aristata</i>)	0.5
Desert or Scarlet Globemallow	(<i>Sphaeralcea ambigua</i>) or (<i>S. coccinea</i>)	1.0
Annual sunflower	(<i>Helianthus annuus</i>)	0.75
TOTAL POUNDS PURE LIVE SEED (pls) PER ACRE		9.75
Certified Weed Free Seed		

If one species is not available, increase ALL others proportionately.
Use No Less than 4 species, including one forb.

No less than 9.75 pounds pls per acre shall be applied

APPROVED: /s/ Douglas J. Burger
District Manager, Pecos District