

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

Form C-144
June 1, 2004

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 ☒

Operator: San Juan Resources of Colorado Telephone: 505-327-4892 e-mail address: paul@walsheng.net
Address: 7415 East Main Street Farmington, NM 87402
Facility or well name: Kaempf #1E API #: 30-045-30818 U/L or Qtr/Qtr I Sec 19 T30N R11W
County: San Juan Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit
Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☐ Unlined ☒
Liner type: Synthetic ☐ Thickness _____ mil Clay ☐
Pit Volume 2500 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)
50 feet or more, but less than 100 feet	(10 points)
100 feet or more	(0 points)

Vellhead 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)

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)

Ranking Score (Total 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 _____. (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:

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: 08/17/04

Printed Name/Title

Paul C. Thompson, P.E.

Signature

Paul C. Thompson

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

Date:

612 E. Murray Drive
Farmington, NM 87401

Off: (505) 327-1072
Fax: (505) 327-1496

iiná bá

P.O. Box 3788
Shiprock, NM 87420

Off: (505) 368-4065

July 29, 2004

Vern Andrews
Walsh Engineering & Production Company
7415 East Main Street
Farmington, NM 87402

TEL: (505) 327-4892
FAX (505) 327-9834

RE: San Juan Resources Kaempfer #1E

Order No.: 0406051

Dear Vern Andrews:

iiná bá received 1 sample on 6/23/2004 for the analyses presented in the following report.

This certificate of analysis includes the Analytical Report(s) for the sample(s) received by the laboratory. A Quality Control Summary Report, the Sample Receipt Checklist and an executed Chain of Custody are included as an addendum to this report.

Should you have any questions regarding this certificate of analysis, please contact the laboratory at your convenience.

Report Approved By:



Judy Moore
Laboratory Director

Edwina Aspaas
Quality Assurance Officer

This certificate of analysis and respective material is intended only for the use of the individual(s) or entity to whom it is addressed, and may contain information that is privileged and confidential. If you are not the intended recipient, or the person responsible for delivering this to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this material is strictly prohibited. If you have received this material in error, please notify the laboratory immediately at 505-327-1072.

RECEIVED JUL 30 2004



MAINTAINING HARMONY BETWEEN MAN AND HIS ENVIRONMENT

612 E. Murray Drive
Farmington, NM 87499

Off: (505) 327-1072
FAX: (505) 327-1496

iiná bá

P.O. Box 3788
Shiprock, NM 87420

Off: (505) 368-4065

iiná bá

Date: 29-Jul-04

CLIENT: Walsh Engineering & Production Company
Project: San Juan Resources Kaempf #1
Lab Order: 0406051

CASE NARRATIVE

Samples were analyzed using the methods outlined in the following references:

Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition.

Methods for Chemical Analysis of Water and Wastes, EPA-600/4-79-020, March 1983.

All method blanks, laboratory spikes, and/or matrix spikes met quality assurance objectives.

Any quality control and/or data qualifiers associated with this laboratory order will be flagged in the analytical result page(s), the quality control summary report(s) or the sample receipt checklist.

Conductivity: 13.7 mS/cm
SAR: 25.0 Calculated
ESP: 26.4 Calculated



COVER LETTER

July 24, 2004

Judy Moore
iina ba, Ltd
612 E. Murray Drive
Farmington, NM 87401
TEL: (505) 327-1072
FAX (505) 327-1496

RE: 0406051

Order No.: 0407055

Dear Judy Moore:

Hall Environmental Analysis Laboratory received 1 sample on 7/7/2004 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent.

Reporting limits are determined by EPA methodology. No determination of compounds below these (denoted by the ND or < sign) has been made.

Please don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman", is written over a horizontal line.

Andy Freeman, Business Manager
Nancy McDuffie, Laboratory Manager



Hall Environmental Analysis Laboratory

Date: 24-Jul-04

CLIENT: iina ba, Ltd

Project: 0406051

Lab Order: 0407055

CASE NARRATIVE

Analytical Comments for METHOD METALS_SOIL, SAMPLE MB-6088: Silver was detected in the blank. Samples are non detect for silver. Analytical Comments for METHOD 300_S, SAMPLE MB-6124: Chloride was detected in this blank due to high concentrations in the samples.

Hall Environmental Analysis Laboratory

Date: 24-Jul-04

CLIENT: iina ba, Ltd

Client Sample ID: 0406051-001A

Lab Order: 0407055

Collection Date: 6/23/2004 7:30:00 AM

Project: 0406051

Lab ID: 0407055-01

KAEMPF #1E

Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						
Chloride	880	15		mg/Kg	50	Analyst: MAP 7/20/2004 9:57:01 PM
EPA METHOD 7471: MERCURY						
Mercury	0.058	0.033		mg/Kg	1	Analyst: IC 7/20/2004
EPA METHOD 6010C: SOIL METALS						
Arsenic	ND	2.5		mg/Kg	1	Analyst: NMO 7/13/2004 1:38:05 PM
Barium	1400	10		mg/Kg	100	7/13/2004 3:22:36 PM
Cadmium	ND	0.10		mg/Kg	1	7/13/2004 1:38:05 PM
Chromium	3.3	0.30		mg/Kg	1	7/13/2004 1:38:05 PM
Lead	30	0.25		mg/Kg	1	7/13/2004 1:38:05 PM
Selenium	ND	2.5		mg/Kg	1	7/13/2004 1:38:05 PM
Silver	ND	0.25		mg/Kg	1	7/13/2004 1:38:05 PM

Qualifiers: ND - Not Detected at the Reporting Limit
 J - Analyte detected below quantitation limits
 B - Analyte detected in the associated Method Blank
 * - Value exceeds Maximum Contaminant Level

S - Spike Recovery outside accepted recovery limits
 R - RPD outside accepted recovery limits
 E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: 24-Jul-04

CLIENT: ina ba, Ltd
 Work Order: 0407055
 Project: 0406051

QC SUMMARY REPORT
 Method Blank

Sample ID: MB-6124 Batch ID: 6124 Test Code: E300 Units: mg/Kg Analysis Date: 7/19/2004 9:43:40 PM Prep Date: 7/15/2004
 Client ID: Run ID: LC_040719A SeqNo: 288696

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	RPD Ref Val	%RPD	RPDLimit	Qual
Chloride	0.7164	0.3									

Sample ID: MB-6150 Batch ID: 6150 Test Code: SW7471 Units: mg/Kg Analysis Date: 7/20/2004 Prep Date: 7/20/2004
 Client ID: Run ID: MI-LA254_040720A SeqNo: 288931

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	RPD Ref Val	%RPD	RPDLimit	Qual
Mercury	ND	0.033									

Sample ID: MB-6088 Batch ID: 6088 Test Code: SW6010A Units: mg/Kg Analysis Date: 7/13/2004 1:05:24 PM Prep Date: 7/9/2004
 Client ID: Run ID: ICP_040713A SeqNo: 286872

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	RPD Ref Val	%RPD	RPDLimit	Qual
Arsenic	ND	2.5									
Barium	ND	0.1									
Cadmium	ND	0.1									
Chromium	ND	0.3									
Lead	ND	0.25									
Selenium	ND	2.5									
Silver	0.6364	0.25									

Qualifiers: ND - Not Detected at the Reporting Limit
 J - Analyte detected below quantitation limits

S - Spike Recovery outside accepted recovery limits
 R - RPD outside accepted recovery limits

B - Analyte detected in the associated Method Blank
 /

Hall Environmental Analysis Laboratory

Date: 24-Jul-04

CLIENT: iina ba, Ltd
 Work Order: 0407055
 Project: 0406051

QC SUMMARY REPORT
 Laboratory Control Spike - generic

Sample ID: LCS-6124	Batch ID: 6124	Test Code: E300	Units: mg/Kg	Analysis Date: 7/19/2004 10:00:28 PM	Prep Date: 7/15/2004
Client ID:	Run ID: LC_040719A	SeqNo: 288697			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
Chloride	16.05	0.3	15	0.7154	102 90 110 0 B
Sample ID: LCS-6150	Batch ID: 6150	Test Code: SW7471	Units: mg/Kg	Analysis Date: 7/20/2004	Prep Date: 7/20/2004
Client ID:	Run ID: MI-LA254_040720A	SeqNo: 288932			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
Mercury	0.1515	0.033	0.1667	0	90.9 80.8 122 0
Sample ID: LCSD-6150	Batch ID: 6150	Test Code: SW7471	Units: mg/Kg	Analysis Date: 7/20/2004	Prep Date: 7/20/2004
Client ID:	Run ID: MI-LA254_040720A	SeqNo: 288947			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
Mercury	0.1552	0.033	0.1667	0	93.1 80.8 122 0.1515 2.40 20
Sample ID: LCS-6088	Batch ID: 6088	Test Code: SW6010A	Units: mg/Kg	Analysis Date: 7/13/2004 1:07:36 PM	Prep Date: 7/9/2004
Client ID:	Run ID: ICP_040713A	SeqNo: 286873			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
Arsenic	27.61	2.5	25	0	110 80 120 0
Barium	24.43	0.1	25	0	97.7 80 120 0
Cadmium	25.42	0.1	25	0	102 80 120 0
Chromium	24.16	0.3	25	0	98.6 80 120 0
Lead	26	0.25	25	0	104 80 120 0
Selenium	25.44	2.5	25	0	102 80 120 0
Silver	25.38	0.25	25	0.6364	99.0 80 120 0 B

Qualifiers: ND - Not Detected at the Reporting Limit
 I - Analyte detected below quantitation limits

S - Spike Recovery outside accepted recovery limits
 R - RPD outside accepted recovery limits

B - Analyte detected in the associated Method Blank
 /

CLIENT: iina ba, Ltd
Work Order: 0407055
Project: 0406051

QC SUMMARY REPORT
 Laboratory Control Spike Duplicate

Sample ID: LCSD-6088		Batch ID: 6088		Test Code: SW6010A		Units: mg/Kg		Analysis Date: 7/13/2004 1:10:34 PM				Prep Date: 7/9/2004	
Client ID:				Run ID: ICP_040713A				SeqNo: 286874					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	RPD Ref Val	%RPD	RPDLimit	Qual		
Arsenic	26.56	2.5	25	0	106	80	120	27.61	3.88	20			
Barium	24.73	0.1	25	0	98.9	80	120	24.43	1.21	20			
Cadmium	25.65	0.1	25	0	103	80	120	25.42	0.877	20			
Chromium	24.49	0.3	25	0	97.9	80	120	24.16	1.35	20			
Lead	26.04	0.25	25	0	104	80	120	26	0.161	20			
Selenium	25.57	2.5	25	0	102	80	120	25.44	0.498	20			
Silver	25.49	0.25	25	0.6364	99.4	80	120	25.38	0.421	20	B		

Qualifiers: ND - Not Detected at the Reporting Limit
 I - Analyte detected below quantitation limits
 S - Spike Recovery outside accepted recovery limits
 R - RPD outside accepted recovery limits
 B - Analyte detected in the associated Method Blank

2



Report Number
04-191-2120

13611 "B" Street • Omaha, Nebraska 68144-3693 • (402) 334-7770 • FAX (402) 334-9121
www.midwestlabs.com

REPORT OF ANALYSIS

IINA BA LTD

JUDY MOORE
PO BOX 2606
FARMINGTON NM 87499-2606

For: (6833)
(505)325-5667

Date Reported: 07/09/04
Date Received: 07/02/04
Date Sampled: 06/23/04

Mail to:

PO/Proj. #: ???
SOIL ANALYSIS

KAEMPF #1E

Lab number: 988689 Sample ID: 0406051-001B

Analysis	Level Found	Units	Detection Limit	Method	Analyst-Date
Sodium Adsorption Ratio	25.0			CALCULATED	jpt-07/02
Sodium (water soluble)	2,380	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Magnesium (water soluble)	4.0	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Calcium (water soluble)	681	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Conductivity	13.7	mS/cm	0.01	SATURATED PASTE EXTRACT	dmg-07/09

$$ESP = 100 \left(\frac{-0.0126 + 0.01475}{1 + (-0.0126 + 0.01475)} \right)$$

$$ESP = 100 \left(\frac{-0.0126 + 0.01475}{1 + (-0.0126 + 0.01475)} \right)$$

$$ESP = \frac{35.6150}{34.9900} = 25.9185$$

Respectfully Submitted

Heather Ramig/Sue Ann Seitz/Rob Ferris
Client Services

The above analytical results apply only to the sample(s) submitted.

Our reports and letters are for the exclusive and confidential use of our clients and may not be reproduced in whole or in part, nor may any reference be made to the work of the company in any advertising, news release, or other public announcements without obtaining our prior written authorization.

Lincoln

612 E. Murray Drive
Farmington, NM 87401
(505) 327-1072

Subcontractor:

Mid-West Labs, Inc.
13611 B Street
Omaha, NE 68144

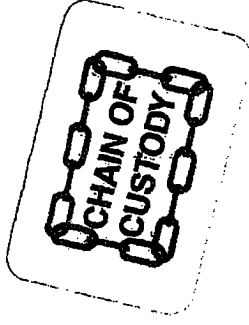
TEL: (402) 334-7770
FAX: (402) 334-9121

Acct #:

01-Jul-04

CHAIN-OF-CUSTODY RECORD

Page 1 of 1



Sample ID	Matrix	Collection Date	Bottle Type	Requested Tests			
				ASA9	E120.1	USDA 60	

0406051-001B	Soil	6/23/2004 7:30:00 AM	90ZG	1	1	2	
--------------	------	----------------------	------	---	---	---	--

986659

Comments: Please analyze 1 (one) sample for saturated paste, conductivity, exchangeable sodium percentage, and sodium absorption ratio.

Date/Time	Date/Time
Relinquished by: <i>Jim Zwagero</i>	Received by: <i>West Studio</i>
Relinquished by:	Received by:
	7-2-04

liná bá

Sample Receipt Checklist

Client Name: **WAL1001**

Date and Time Received:

6/23/2004

Work Order Number: **0406051**

Received by: JEM

Checklist completed by:

Signature

Date

Reviewed by:

Initials

Date

Matrix:

Carrier name: Vern Andrews

Shipping container/cooler in good condition?	Yes ☒	No ☐	Not Present ☐
Custody seals intact on shipping container/cooler?	Yes ☐	No ☐	Not Present ☒
Custody seals intact on sample bottles?	Yes ☐	No ☐	Not Present ☒
Chain of custody present?	Yes ☒	No ☐	
Chain of custody signed when relinquished and received?	Yes ☒	No ☐	
Chain of custody agrees with sample labels?	Yes ☒	No ☐	
Samples in proper container/bottle?	Yes ☒	No ☐	
Sample containers intact?	Yes ☒	No ☐	
Sufficient sample volume for indicated test?	Yes ☒	No ☐	
All samples received within holding time?	Yes ☒	No ☐	
Container/Temp Blank temperature in compliance?	Yes ☒	No ☐	
Water - VOA vials have zero headspace?	No VOA vials submitted ☒	Yes ☐	No ☐
Water - pH acceptable upon receipt?	Yes ☒	No ☐	

Adjusted? _____ Checked by: _____

Any No and/or NA (not applicable) response must be detailed in the comments section below.

Client contacted: _____ Date contacted: _____ Person contacted: _____

Contacted by: _____ Regarding: _____

Comments: _____

Corrective Action: _____

iiná bá

612 E. Murray Drive
Farmington, NM 87401
(505) 327-1072

CHAIN-OF-CUSTODY RECORD

Page 1 of 1

Subcontractor:

Test America, Inc.
2960 Foster Creighton Drive
Nashville, TN 372040566

TEL: (800) 765-0980
FAX: (615) 726-3404

Acct #: 3130

24-Jun-04

Sample ID	Matrix	Collection Date	Bottle Type	ASA9	Requested Tests		
					E120.1	USDA 60	
0406051-001B	Soil	6/23/2004 7:30:00 AM	9OZG	1	1	2	

Comments:

Please analyze 1 (one) sample for saturated paste, conductivity, exchangeable sodium potential and sodium absorption ratio.

Soil

Date/Time	
Relinquished by: <i>J Moore</i>	6/24/03 16:30
Relinquished by:	Received by:

iiná bá

612 E. Murray Drive
Farmington, NM 87401
(505) 327-1072

CHAIN-OF-CUSTODY RECORD

Page 1 of 1

Subcontractor:

Mid-West Labs, Inc.
13611 B Street
Omaha, NE 68144

TEL: (402) 334-7770
FAX: (402) 334-9121

Acct #:

01-Jul-04

Sample ID	Matrix	Collection Date	Bottle Type	ASA9	E120.1	Requested Tests	
						USDA_60	
0406051-001B	Soil	6/23/2004 7:30:00 AM	9OZG	1	1	2	

Comments: Please analyze 1 (one) sample for saturated paste, conductivity, exchangeable sodium percentage, and sodium absorption ration.

	Date/Time	Date/Time
Relinquished by: <i>Jon Zwager</i>	7/1/04 1440	Received by:
Relinquished by:		Received by:

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612 E. Murray Drive
Farmington, NM 87401
(505) 327-1072

CHAIN-OF-CUSTODY RECORD

Page 1 of 1

Subcontractor:

Hall Environmental Analysis Laboratory
4901 Hawkins NE Suite D
Albuquerque, NM 87109

TEL: (505) 345-3975
FAX: (505) 345-4107

Acct #:

05-Jul-04

Sample ID	Matrix	Collection Date	Bottle Type	E300	Requested Tests		
					SW6010B	SW7471	
0406051-001A	Soil	6/23/2004 7:30:00 AM	40ZG	1	1	1	

Comments:

Please analyze one (1) soil sample for SW6010B (arsenic, barium, cadmium, chromium, lead, selenium and silver), SW7471 (mercury) and E300(chloride).

Date/Time	
Relinquished by: <i>John J. [Signature]</i>	Received by: <i>7/16/04 1640</i>
Relinquished by:	Received by:

liná bá

612 E. Murray Drive
Farmington, NM 87401
(505) 327-1072

CHAIN-OF-CUSTODY RECORD

Page 1 of 1

Subcontractor:

Hall Environmental Analysis Laboratory
4901 Hawkins NE Suite D
Albuquerque, NM 87109

TEL: (505) 345-3975
FAX: (505) 345-4107

Accl #:

05-Jul-04

Sample ID	Matrix	Collection Date	Bottle Type	E300	Requested Tests	
					SW6010B	SW7471
0406051-001A	Soil	6/23/2004 7:30:00 AM	40ZG	1	1	1

0407055-1
0407055-1

Comments:

Please analyze one (1) soil sample for SW6010B (arsenic, barium, cadmium, chromium, lead, selenium and silver), SW7471 (mercury) and E300(chloride).

Relinquished by: <u>Joni Zagon</u>	Date/Time: <u>7/6/04 10:10</u>	Received by: <u>[Signature]</u>	Date/Time: <u>7/7/04 12:40</u>
Relinquished by: <u>[Signature]</u>		Received by:	

Hall Environmental Analysis Laboratory

Sample Receipt Checklist

Client Name IINA

Date and Time Received:

7/7/2004

Work Order Number 0407055

Received by AT

Checklist completed by



Signature

Date

7/7/04

Matrix

Carrier name Greyhound

Shipping container/cooler in good condition?	Yes ☒	No ☐	Not Present ☐	
Custody seals intact on shipping container/cooler?	Yes ☒	No ☐	Not Present ☐	Not Shipped ☐
Custody seals intact on sample bottles?	Yes ☐	No ☒	N/A ☐	
Chain of custody present?	Yes ☒	No ☐		
Chain of custody signed when relinquished and received?	Yes ☒	No ☐		
Chain of custody agrees with sample labels?	Yes ☒	No ☐		
Samples in proper container/bottle?	Yes ☒	No ☐		
Sample containers intact?	Yes ☒	No ☐		
Sufficient sample volume for indicated test?	Yes ☒	No ☐		
All samples received within holding time?	Yes ☒	No ☐		
Water - VOA vials have zero headspace?	No VOA vials submitted ☒	Yes ☐	No ☐	
Water - pH acceptable upon receipt?	Yes ☐	No ☐	N/A ☒	
Container/Temp Blank temperature?	1°	4° C ± 2 Acceptable If given sufficient time to cool.		

COMMENTS:

Client contacted _____ Date contacted: _____ Person contacted _____

Contacted by: _____ Regarding _____

Comments: _____

Corrective Action _____