December 10, 1998

Nerdlic Oil & Gas Surface Clean Up At Marcelina Field

Locations East of Hwy 509

- 1. At the Nerdlic Bullseye Battery, just east of Hwy 509, close and remediate production pit, remediate inside tank berms.
- 2. At the Nerdlic Bullseye #1, close production pit 25'x25', break up paraffin at well head, cut off lines as appropriate.
- 3. At the Nerdlic Bullseye #1Y, significant clean up at the production tank, clean up at well head, close 25'x25' fenced netted tank drain pit.
- 4. At the Nerdlic Bullseye #3, close 25'x40' netted fenced production pit, close 20'X20' fenced production pit. Clean up at base of vertical separator, old produced water tank bottom may have contamination underneath (has actively leaked in the past).
- 5. At the Nerdlic Bullseye #10, close 10'x10' production pit.
- 6. At the Nerdlic Bullseye #6, break up hydrocarbon material at well head and at tank.
- 7. At the Nerdlic Bullseye #16, clean up at well head, close 15'x15' fenced netted pit (has had oil on the pit in the past).
- 8. At the Nerdlic Bullseye #12, clean up at well head, significant clean up at production tank (less than 10 CY), close fenced and netted 25'x25' pit.

Locations are West of Hwy 509

- 9. At the Nerdlic Marcelina #1, close 10'x10' separator pit, close 20'x30' overflow pit, close 5'x10' work over pit, break up hydrocarbon material at the wellhead.
- 10. Close trash pit at the pipe racks.
- 11. At the Nerdlic Bullseye #15, close 20'x50' fenced and netted pit with some paraffin floating on water.
- 12. At the Nerdlic Bullseye #13, close 20'x50' fenced pit, minor clean up at well head and separator, significant clean up at the production tank (less than 10 CY)

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Acknowledgement

State of New Mexico)
) s.s.
County of San Juan)

The foregoing instrument was acknowledged before me this 26th day of March, 1998, by Gary Miller.

Cisol S. Cars

Notary Public

My Commission Expires : 5/14/99 (seal)

(seal)