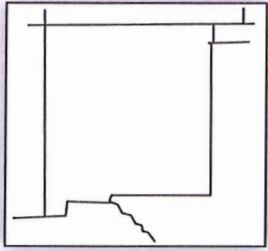


**RECEIVED**

**By Kellie Jones at 11:29 am, Jan 05, 2016**

CROSS BORDER



RESOURCES

## **INFORMATION ONLY**

**Provide additional information on how the product will be used.**

**DALLAS OFFICE**

14282 Gillis Road

Farmers Branch, Texas 75244

Phone: (214) 871.0400

Fax: (214) 871.0406

December 16, 2015

State of New Mexico Energy, Minerals and Natural Resources  
Oil Conservation Division  
1625 N. French Dr.  
Hobbs, New Mexico 88240  
Attention: Kellie Jones

Re: Final Clean-up on Sunray State Tank Battery spill, API # 30-005-21036  
1980' FNL and 1650' FWL of Section 16, T-8-S, R-31-E, Chaves County, New Mexico

Dear Kellie,

This is an update on the Sunray State Tank Battery, API #30-005-21036 is located at a Latitude of 33.639 degrees and Longitude of 103.808 degrees. The tank battery is located in unit letter "F" of section 16, T-8-S, R-31-E in Chaves County, New Mexico.

Cross Border Resources, Inc. ("Cross Border") has delineated the elevated chloride levels on the East half of the spill area(see attachment #1). Cross Border has also completed the Microblaze remediation on the west half of the spill area. The west half has already started to show signs of vegetation growth. Cross Border proposes to complete the east half of Sunray State site by treating the soil in-situ with twenty 50 pound sacks of Gypsum in the green cross-hatched soil remediation area. We also intend to treat the entire eastern half with Microblaze as performed on the west half of the Sunray-State sampling map.

The Microblaze will be mixed between a 3% solution with fresh water and tilled into the soil. Initial estimates suggest the site contains 750 cubic yards of soil requiring remediation. This will require 75 gallons of Microblaze and 60 bbls of fresh water. Cross Border has a farming tractor on site. Cross Border plans to apply the Gypsum and Microblaze and till the soil with our own equipment.

Final Clean-up plan

Sunray State Tank Battery  
API# 30-005-21036  
Page 2

Cross Border continues to believe the main concern is to break down the hydrocarbons by natural means with the use of Microblaze. Once the contaminated soil is treated with Gypsum and Microblaze, Cross Border intends to give enough time to allow these materials to work with the soil.

Cross Border believes getting the surface to acceptable hydrocarbon and chloride levels needs to take precedent on the site remediation. Chloride analysis can be performed including some vertical delineation of the remediation area to confirm our progress and remedial measures taken.

It is Cross Border's intentions to keep the NMOCD informed throughout the in-situ remediation, soil sampling and final restoration of the Sunray State tank battery. If you have any questions during this process, I can be reached at the email address below or my personal cell phone number. I look forward to working with you on the remediation and restoration of this site.

Sincerely,



Ross Pearson  
Vice President of Operations  
[ross@redmountainresources.com](mailto:ross@redmountainresources.com)  
Cell: 469-995-0425

