

August 4, 2015

Ms. Kellie Jones Environmental Specialist, District 1 Oil Conservation Division, EMNRD 1625 N. French Dr Hobbs, New Mexico 88240

Dear Ms. Jones,

Reference No. 088210-18

Conditionally

APPROVED By OCD District 1 at 1:28 pm, Aug 04, 2015

Stipulation: Delineate horizontally and vertically using discrete site samples.

Re: Work Plan Dragon 26 State 502 RP# 1RP-3745 Unit A, Section 36, Township 24-S, Range 33-E Latitude: N 32.179760, Longitude: W 103.521006 Lea County, New Mexico

1. Project Information

The Dragon 26 State 502 site (hereafter referred to as the "Site"), is an active wellsite situated approximately 20 miles northwest of Jal in Lea County, New Mexico (see Figure 1). It is located in Unit A, Section 36, Township 24 South, Range 33 East. According to EOG personnel, a release of approximately 150 barrels (bbls) of produced water occurred due to a flowback line valve that was opened anonymously. A vacuum truck was mobilized to the Site and approximately 23 bbls of fluids were recovered. The unrecovered produced water ran out into a pasture. The approximate release boundary is depicted on Figure 2. A Form C-141 was submitted to the NMOCD and remediation permit number 1RP-3745 was assigned.

According to Tomáš 'Doc' Oberding, PhD, with the NMOCD, the depth to groundwater in the vicinity of the Site is estimated to be between 50 and 100 feet below ground surface (bgs). Based on information available from the Petroleum Recovery Research Center Pit Rule Mapping Portal, there are surface water bodies within 200 to 1,000 feet of the Site. There are no well head protection areas in the vicinity of the Site. Therefore, the preliminary ranking score is 20.

Based on this score, the Site-specific Recommended Remediation Action Limits (RRALs) to be applied by the NMOCD are 10 milligrams per kilogram (mg/kg) for benzene, 50 mg/kg for total BTEX, 100 mg/kg for TPH, and 250 mg/kg for chloride.

2. Scope of Work

The scope of work for this project will involve the excavation of impacted soil accompanied by soil sample analysis. A Right of Entry Permit will be obtained from the New Mexico State Land Office prior to commencement of excavation activities. Field screening of soils will be performed in order to guide excavation activities. Subsequently, the excavation will be backfilled with clean soil, fertilized, and seeded. The following outlines basic project details that will be completed by GHD and EOG subcontractors:

Field Program

The field program will consist of the following:

- Impacted soil in the affected area will be excavated. The soil disposal facility identified for this
 project is Sundance/Parabo, in Eunice, New Mexico;
- Soils will be field screened for chloride during excavation by mixing soil samples with de-ionized water. The rinsate will be analyzed using Hach chloride test strips. Soils will also be field screened for organic vapors using a calibrated photoionization detector. If field screening indicates that soils are below regulatory levels, excavation would halt to minimize excavating clean soil;
- Confirmation laboratory samples will be collected at intervals to be determined during excavation. Samples will be sent to Xenco Laboratories of Odessa, Texas, and analyzed for BTEX, TPH, and chloride;
- If impacts appear to extend past four feet bgs, a 20 mil polyethylene liner will be placed in the bottom of the excavation. Liner seams will be overlapped a minimum of 24 inches. Each liner will be placed without rips or tears; and
- The excavation will be backfilled to grade using clean fill material. The disturbed area will be fertilized and reseeded with a Bureau of Land Management-approved seed mix.

Health and Safety Considerations

Personal protective equipment, including fire-retardant clothing, steel-toed work boots, gloves, safety glasses, and hard hats will be required during all field tasks. The project health and safety plan will be maintained on Site and will be reviewed and signed by on Site personnel, subcontractors, and authorized visitors.

Quality Assurance/ Quality Control

Confirmation soil sampling will be completed in accordance with our standard Quality Assurance/ Quality Control procedures designed to minimize cross-contamination between samples and to provide reliable laboratory results.

Reporting

A short letter report summarizing remediation activities will be submitted. The letter report will include a Site description, project history, description of field events, a discussion of results, and recommendations (if any).

The report will include:

- A scaled Site plan showing the locations of the excavation and other Site features;
- Tabulation of field screening and laboratory analytical results;
- Copies of landfill manifests; and
- Geotagged photographic documentation of field activities.

3. Work Plan Approval Request

GHD is prepared to initiate the scope of work immediately. If you have any questions or comments with regards to this work plan, please do not hesitate to contact our Albuquerque office at (505) 884-0672. Your timely response to this correspondence is appreciated.

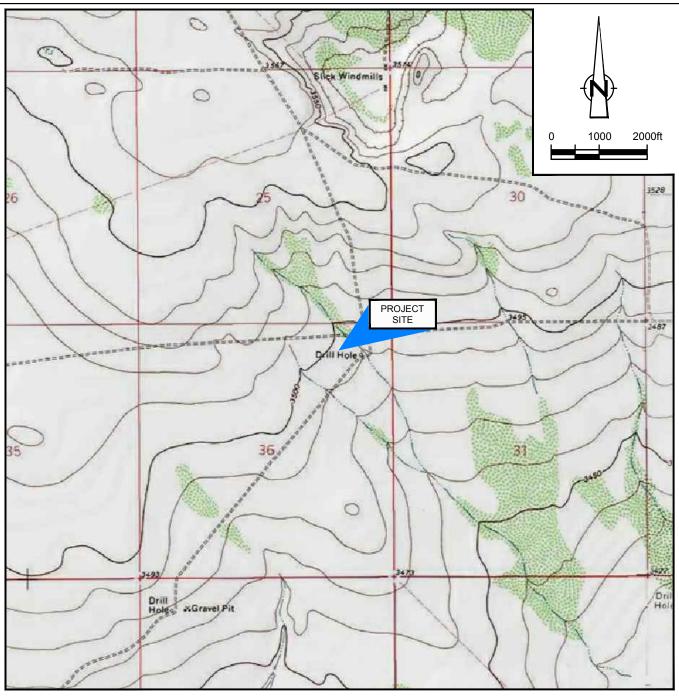
Sincerely,

GHD

Cale Kanack Staff Scientist CK/mc/1 Encl. (1)

Semarcont I

Bernard Bockisch, PMP Senior Project Manager



SOURCE: USGS 7.5 MINUTE QUAD "BELL LAKE AND WOODLEY FLAT, NEW MEXICO"

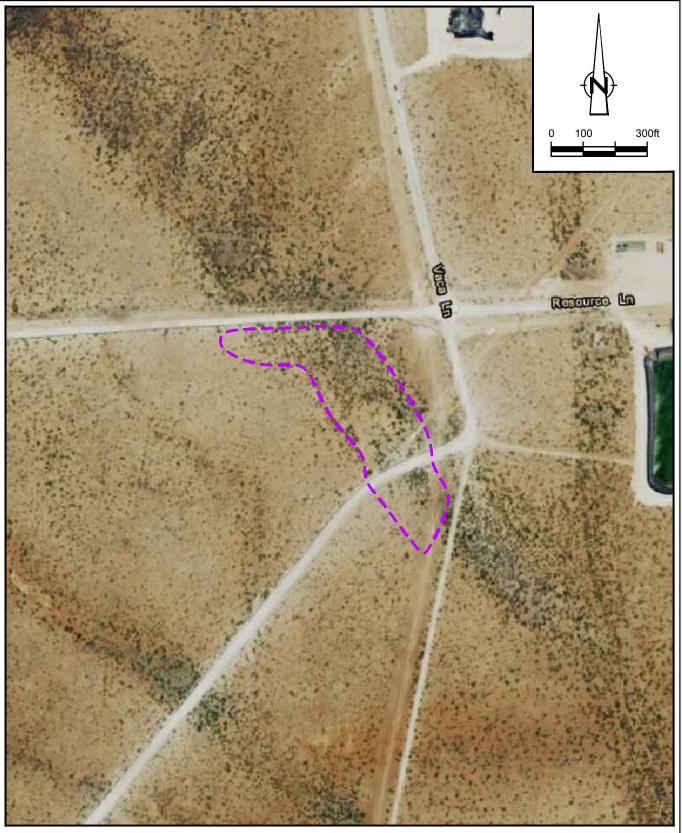
LAT/LONG: 32.1798° NORTH, 103.5210° WEST COORDINATE: NAD83 DATUM, U.S. FOOT STATE PLANE ZONE - NEW MEXICO EAST

Figure 1

SITE LOCATION MAP DRAGON 26 STATE 502 *Lea County, New Mexico*



088210-18(000)GN-DL001 JUL 24/2015



SOURCE: NAIP2015 IMAGERY, MAY 10, 2014

LEGEND

Approximate Release Boundary

Figure 2



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