

Ms. Kellie Jones Environmental Specialist, District 1 Oil Conservation Division, EMNRD 1625 French Drive Hobbs, NM 88240

Re: Sundance Services, Inc. NM-01-0003 Release Remediation Plan Quarterly Update

Dear Ms. Jones:

Gordon Environmental, Inc (GEI), on behalf of Sundance Services, Inc. (SSI), is providing this quarterly update on the implementation status of the Release Remediation Plan approved by the Oil Conservation Division (OCD) on February 17, 2016. During our most recent site visit on March 23, 2016 we reviewed the following efforts SSI has undertaken to date:

- 1. Significant efforts have been undertaken to reduce the spill containment footprint of the release within the smallest area possible with as identified in Attachment 1;
- 2. Reinforcement of the levee containment of Pond 2/3;
- 3. Continuation of contaminated water removal (an additional 21,000 BBLS have been removed for treatment and disposal offsite);
- 4. Reinforcement of the levee containment of Pond 1;
- 5. Continuation of contaminated soil removal (an additional 840 CY have been removed for disposal in the onsite landfill).

The Release Remediation Plan identifies Milestones for the approved remediation activities. The current status for each Milestone is provided as Attachment 2. We look forward to continuing our work with you and the OCD on the remediation of this release, and the ultimate approval of the SSI Closure Plan. Please contact GEI at 505.867.6990 or cfiedler@gordonenvironmental.com with your comments and questions.

Very truly yours,

Gordon Environmental, Inc.

I. Keith Gordon, P.E.

Principal

cc:

Charles W. Fiedler Sr. Project Director

for which PF

Mr. Arif Musani, Sundance Services, Inc.

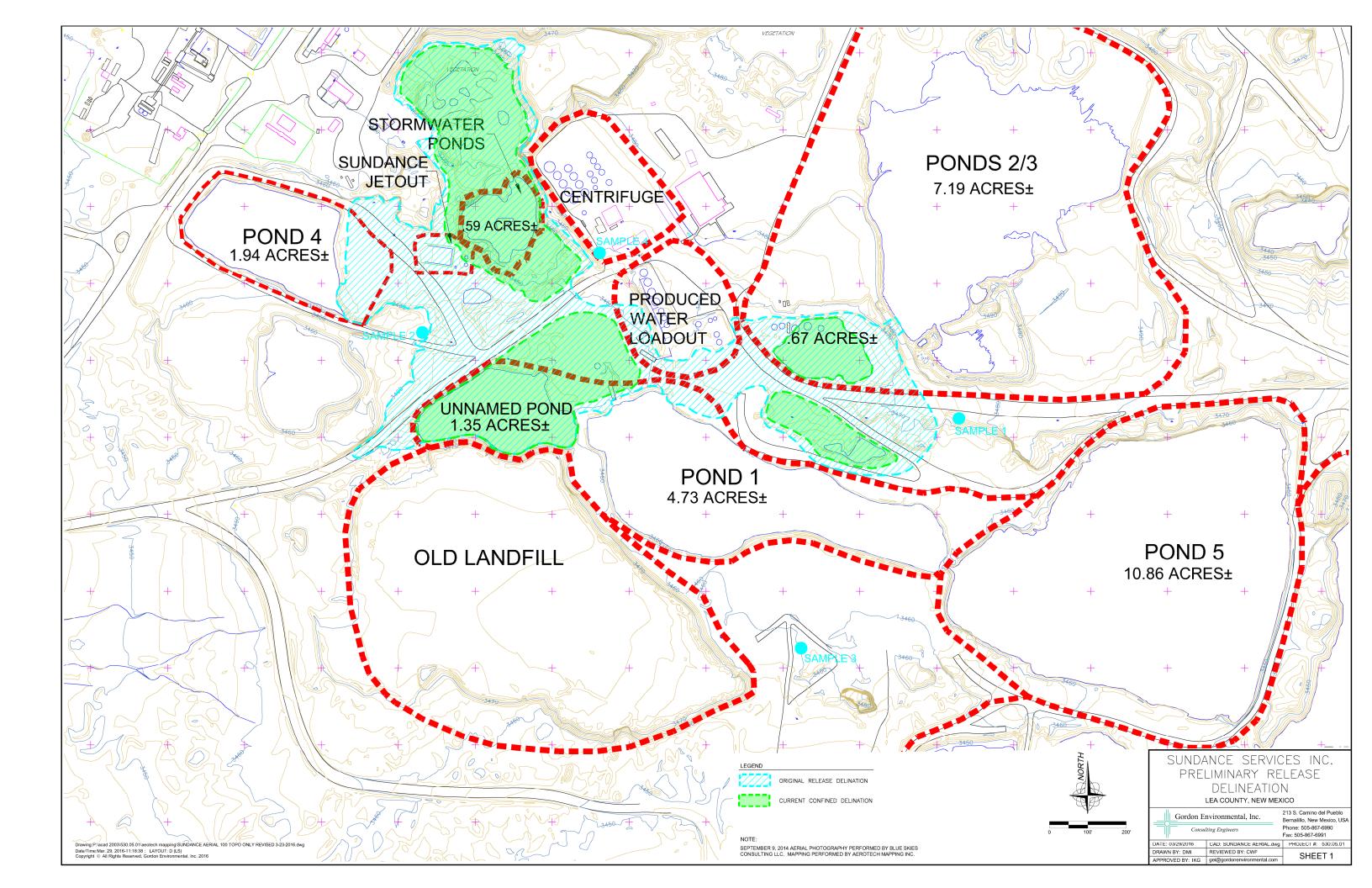
Mr. Andrew L. Wambsganss, Brown-Pruitt

Attachment: 1. Current Release Delineation

2. Milestones Update

SUNDANCE SERVICES, INC. RELEASE REMEDIATION PLAN APRIL 2016

ATTACHMENT 1 CURRENT RELEASE DELINEATION



SUNDANCE SERVICES, INC. RELEASE REMEDIATION PLAN APRIL 2016

ATTACHMENT 2 MILESTONE UPDATE

RELEASE REMEDIATION PLAN SUNDANCE SERVICES, INC.

MILESTONES UPDATE

MILESTONE	ANTICIPATED	STATUS
	COMPLETION	
 Release Event started 	12/30/2015	Complete
2. Reported verbally to OCD by phone	12/30/2015	Complete
3. Spill Containment	12/30/2015	Complete
4. Initiated Water Removal	12/30/2015	Continuing
5. Ground Delineation of Spill	12/31/2015	Complete
6. Initiated Sludge Removal	12/31/2015	Continuing
7. Pond 2/3 temporary Levee	01/12/2016	Complete
8. Pond 1 temporary Levee	01/17/2016	Complete
9. Background Soil Samples	01/19/2016	Complete
10. Background Sample Results	01/26/2016	Complete
11. Levee Construction Material Analysis	02/20/2016	Complete
12. Sundance Jet-Out Rehabilitation	03/01/2016	Underway
13. Pond 2/3 Permanent Levee	06/01/2016	Underway
14. Remediation South of Entrance Road	07/01/2016	Underway
15. Pond 1 Levee Replacement	09/01/2016	Underway
16. Remediation North of Entrance Road	09/01/2016	Underway
17. Confirmation Soil Samples	12/01/2016	
18. Monitor Well Installations	01/01/2017	