Gandy Corporation Tom 36 State Tank Battery Site Investigation Section 36, Township 7S, Range 31E Chaves County, New Mexico

April 12, 2016



Prepared for:

Gandy Corporation 1623 South Main Lovington, New Mexico 88260

By:

Safety & Environmental Solutions, Inc. 703 E. Clinton Hobbs, New Mexico 88240 (505) 397-0510

TABLE OF CONTENTS

| I. | COMPANY CONTACTS | 1 |
|------|--------------------------|---|
| II. | BACKGROUND | 1 |
| III. | SURFACE AND GROUND WATER | 1 |
| IV. | SOILS | 1 |
| ٧. | WORK PERFORMED | 1 |
| VI. | FIGURES & APPENDICES | 1 |

I. Company Contacts

| Bob Allen | 505-397-0510 | ballen@sesi-nm.com | | | | |
|---------------|--------------|-----------------------------------|--|--|--|--|
| Steve Houston | 432-684-4293 | Stevehouston@gandycorporation.com | | | | |

II. Background

SESI was contracted to perform a site investigation to determine the vertical extent of contamination at the Tom 36 State Battery. The subject area is located in Section 36, Township 7S, Range 31E in Chaves County, New Mexico.

II. Surface and Ground Water

The nearest groundwater water of record with the New Mexico State Engineer's Office is in section 26, township 07S and range 31E. The depth to water for this well is 120 feet bgs. However, there is no record of groundwater in the immediate vicinity. The average depth to water for this area is 238' bgs (Appendix A).

III. Soils

The soils in the area are predominantly sand and sandy loam.

IV. Work Performed

On April 11, 2016 SESI personnel, Gandy personnel together with a backhoe and operator were on site to assess the spill area at this location. Heavy hydro carbon staining on the area were present (Figure 2). The fluid had exited the pad area and formed three legs as it exited to the pasture area continuing to traverse. The location and spill area were mapped using a handheld Juno 3B (Figure 1). The spill area measured approximately 6,028.92 sq. ft. A representative soil sample was grabbed at surface where Test Trench 1 was dug. A second soil sample was retrieved and tested at 1' bgs. The results are recapped in the following table:

| Date | ID | CI | TPH | | |
|---------|--------------|------|-----|--|--|
| 4-11-16 | TT-1 Surface | 2096 | 19 | | |
| 4-11-16 | TT-1 @ 1' | 9864 | | | |

VI. Figures & Appendices

Figure 1 – Site Plan
Figure 2 – Photo Documentation
Appendix A - Groundwater

Figure 1 Site Plan

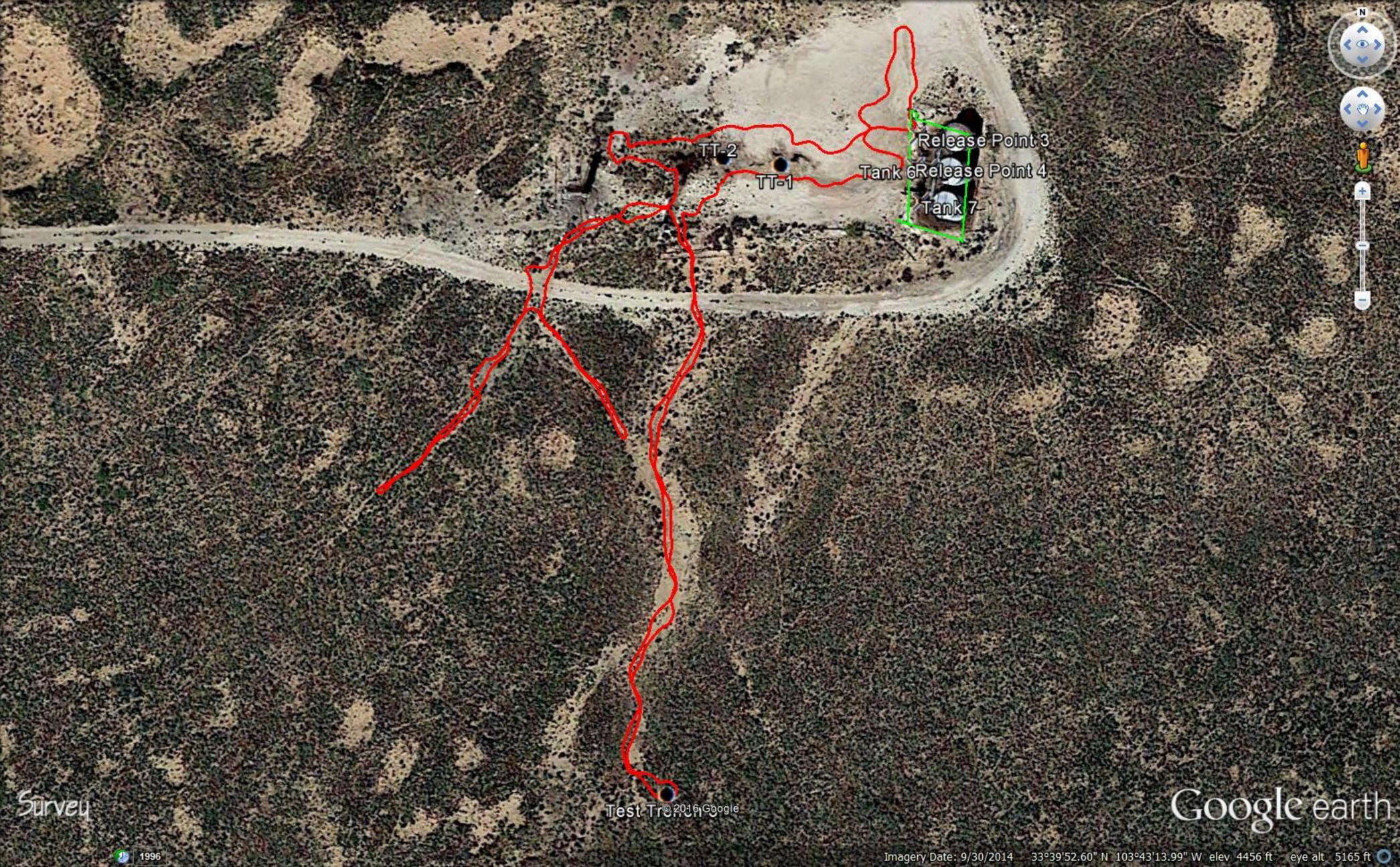


Figure 2 Photo Documentation



Sign marking location



Release Point Area



Spill exiting pad South side



Release Point



Spill Run Looking East



Fluid Run Southwest



Spill run looking north to treater



Impacted area South side



Spill run West of tanks



Spill traverse north onto pad area



Spill Run onto pasture area



Spill run traversing south through pasture



Standing fluid west of pad







Impact inside bermed area



Removal of surface impact



Surface removal



Pasture Impact looking south



Pasture impact south of location

Appendix A Groundwater



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a (R=POD has been replaced, O=orphaned,

& no longer serves a C=the file is water right file.) Closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

| | POD Sub- | QQ | Q | | | | | | Depth | Depth | Water |
|---------------|--------------------------|-------|---|-----|-----|-----|--------|------------|-------|-------|--------|
| POD Number | Code basin County | 64 16 | 4 | Sec | Tws | Rng | X | Υ | Well | Water | Column |
| RA 11245 POD1 | СН | 3 3 | 1 | 20 | 07S | 31E | 610806 | 3728777* 🌍 | 220 | 180 | 40 |
| RA 11251 POD1 | CH | 1 2 | 4 | 10 | 07S | 31E | 615240 | 3731841* 🌍 | 210 | 190 | 20 |
| RA 11252 POD1 | СН | 2 4 | 2 | 10 | 07S | 31E | 615436 | 3732243* 🌍 | 210 | | |
| RA 11255 POD1 | СН | 2 4 | 4 | 04 | 07S | 31E | 613805 | 3733024* 🎒 | 450 | 350 | 100 |
| RA 11256 POD1 | СН | 2 4 | 4 | 04 | 07S | 31E | 613805 | 3733024* 🎒 | 450 | 350 | 100 |
| RA 11260 POD1 | СН | 1 2 | 3 | 26 | 07S | 31E | 616038 | 3727739 🌍 | 158 | 120 | 38 |

Average Depth to Water: 238 feet

Minimum Depth: 120 feet

(In feet)

Maximum Depth: 350 feet

Record Count: 6

PLSS Search:

Township: 07S Range: 31E