

1RP-475

Denton 1 SWD Mainline (Americo Spill)

Spill date – 7/25/2004.

Spill & Volume: Produced water, 10,000 bbls (estimated), no fluid recovered.

Spill notes: Mainline ruptured causing large spill. Initial assessment in 9/2004 showed high chloride concentrations at surface, decreasing concentrations in borings. SESI submitted workplan, dated August 5, 2005. Workplan notes groundwater at 59.1 feet below ground surface. **Cross reference to 1RP-4169.**

Spill area was excavated, liner installed, and backfilled with new, clean soil.

Photos: Illegible photos in 9-2004 SESI report, maps in SESI 9-2004 report

Additional notes: Part of a group of historic spills remediated by Fasken at demand of surface owner.

Spill cleaned up by Fasken under 1RP-4169

Documents Attached:

- New Mexico Form C-141 from Americo (handwritten, poor quality)
- SESI Assessment Report, September 28, 2004 (download from OCD)
- SESI Workplan, August 5, 2005 (download from OCD)

FASKEN STATUS: CLOSED

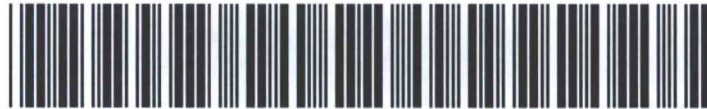
Administrative/Environmental Order



AE Order Number Banner

Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



App Number: pPAC0603947023

1RP - 475

FASKEN OIL & RANCH LTD

4/19/2016

MAY 03 2011

FORM 2

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2002

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	AMERICO ENERGY RESOURCES	Contact	STEVE SMITH
Address	10940 OLD KATY RD. HOUSTON, TX 77043	Telephone No.	441-0726
Facility Name	VENTEN SAND #1	Facility Type	SALT WATER DISPOSAL LINE
Surface Owner	JACK HAYELL	Mineral Owner	
		Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	11	155	376	UNK	UNK	UNK	UNK	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE


Type of Release	SALT WATER	Volume of Release	10,000	Volume Recovered	0
Source of Release	WATERLINE	Date and Hour of Occurrence	7/25	Date and Hour of Discovery	7/25 11 AM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required If YES, To Whom? DARRIN HALL / GARY WINK				
By Whom?	Date and Hour				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, Volume Impacting the Watercourse.				
If a Watercourse was impacted, Describe Fully.					

Describe Cause of Problem and Remedial Action Taken. 10" RED THREAD FIBERGLASS PIPE, SPICY HALLWAY TAKING. SHOT DOWN LINE, ESCORTED BY BALDWIN, REMOVED BURST SECTION OF PIPE AND REPLACED BY NEW.

Describe Area Affected and Cleanup Action Taken. APPROXIMATELY 500' X 1000' PASTURE GRASS. CONTACTED LAND OWNER, HE ADVISED HE WANTED ENTIRE AREA ESCORTED AND NEW DIRT PUT IN PLACE.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOC marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOC acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor:		
Printed Name: STEPHEN B. SMITH	Approval Date:	Expiration Date:	
Title: CONTRACT MANAGER / AREA REP.	Conditions of Approval:		
Email Address: SMITHS@NMOC.NMMAIL.COM	Attached <input type="checkbox"/>		
Date: 8/5/04	Phone: 441-0726		

Attach Additional Sheets If Necessary

Leking, Geoffrey R, EMNRD

From: Jimmy Carlile [jimmyc@forl.com]
Sent: Monday, May 09, 2011 6:54 AM
To: Leking, Geoffrey R, EMNRD
Cc: 'Reggie Brooks'; 'David Adkins'
Subject: Denton SWD System - Historic Work Plan and Approval
Attachments: 20110509073216.pdf

HOBBS OCD

MAY 09 2011

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Geoff,

In response to your email on Friday, attached is the work plan and approval for the remediation of the historic spills at the Denton SWD System. I will be in the office till 11 am this morning, then out on personal business this afternoon. Back on Tuesday. Please let me know if you have any questions. Please contact Mike Stubblefield with Talon with your approval to line the excavation and begin backfill operations. Thanks.

Jimmy D. Carlile
Regulatory Affairs Coordinator

Fasken Oil and Ranch, Ltd.
303 West Wall, Suite 1800
Midland, TX 79701

432 687-1777

Jimmy Carlile

From: Leking, Geoffrey R, EMNRD [GeoffreyR.Leking@state.nm.us]
Sent: Monday, August 10, 2009 10:11 AM
To: jimmyc@forl.com
Subject: RE: Remediation of Denton Field Historic Spill Sites

HOBBS OCD

MAY 09 2011

Jimmy

RECEIVED

This email serves as approval of the Fasken Oil and Ranch, Ltd, Proposed Cleanup of Historic Salt Water Spill Sites, Denton Salt Water Disposal System, Denton; Wolfcamp and Devonian Fields, Lea County, New Mexico risk based correction action plan dated July 31, 2009.

Geoffrey Leking
Environmental Engineer
NMOCD-Hobbs
419-393-6161 Ext. 113
419-399-2990

From: Jimmy Carlile [mailto:jimmyc@forl.com]
Sent: Thursday, August 06, 2009 7:14 AM
To: Leking, Geoffrey R, EMNRD
Subject: RE: Remediation of Denton Field Historic Spill Sites

Geoff, just wanted to make sure you had gotten the proposed work plan for the historic sites at the Denton SWD System. Let me know if you have any questions on it. Please email me an approval of the plan, or let me know if it is already scanned into the OCD Online System. We need the approval to send to prospective environmental contractors as part of the bid process.

From: Jimmy Carlile [mailto:jimmyc@forl.com]
Sent: Friday, July 31, 2009 11:36 AM
To: 'Leking, Geoffrey R, EMNRD'
Cc: 'Johnson, Larry, EMNRD'
Subject: Remediation of Denton Field Historic Spill Sites

Good morning Geoff,

I caught Larry Johnson on his cell a little earlier today and he said he was going to be out for at least a month with some shoulder surgery. I told him Fasken will be submitting a work plan to OCD for a risk based corrective action plan to remediate what appear to be 8 historic spill sites at the Denton SWD System. We will be utilizing the same procedure we have used on other RBCA plans in this field. Larry said he would give you a heads up call on this to let you know it was coming.

I plan on getting this plan out this afternoon, so you should have it Monday or Tuesday latest. Please give me a call if you have any questions about our plan. Looking forward to working with you on this.

Jimmy D. Carlile

Fasken Oil and Ranch, Ltd.
303 West Wall, Suite 1800
Midland, TX 79701



Ana-Lab Results:
Fas-09-001 Fasken Mainline Delineation

Site 2: Lab-Project # 440196

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	11.9	N/A	N/A	N/A	N/A	N/A
BH #1 5'	1060	ND	ND	ND	ND	ND
BH #1 10'	975	N/A	N/A	N/A	N/A	N/A
BH #1 15'	223	N/A	N/A	N/A	N/A	N/A
BH #1 20'	386	N/A	N/A	N/A	N/A	N/A
BH #1 25'	14.7	N/A	N/A	N/A	N/A	N/A
BH #1 30'	10.7	ND	ND	ND	ND	ND
BH #2 Surface	324	N/A	N/A	N/A	N/A	N/A
BH #2 5'	544	ND	ND	ND	ND	ND
BH #2 10'	1410	N/A	N/A	N/A	N/A	N/A
BH #2 15'	2150	N/A	N/A	N/A	N/A	N/A
BH #2 20'	2150	N/A	N/A	N/A	N/A	N/A
BH #2 25'	1220	N/A	N/A	N/A	N/A	N/A
BH #2 30'	650	N/A	N/A	N/A	N/A	N/A
BH #2 35'	308	N/A	N/A	N/A	N/A	N/A
BH #2 40'	218	ND	ND	ND	ND	ND
BH #3 Surface	762	N/A	N/A	N/A	N/A	N/A
BH #3 5'	1320	ND	ND	ND	ND	ND
BH #3 10'	1670	N/A	N/A	N/A	N/A	N/A
BH #3 15'	1910	N/A	N/A	N/A	N/A	N/A
BH #3 20'	161	N/A	N/A	N/A	N/A	N/A
BH #3 25'	77.7	N/A	N/A	N/A	N/A	N/A
BH #3 30'	21.2	ND	ND	ND	ND	ND

Site 3: Lab Project #440217

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	95.7	N/A	N/A	N/A	N/A	N/A
BH #1 5'	616	ND	ND	ND	ND	ND
BH #1 10'	1010	N/A	N/A	N/A	N/A	N/A
BH #1 15'	1290	N/A	N/A	N/A	N/A	N/A
BH #1 20'	1010	N/A	N/A	N/A	N/A	N/A
BH #1 25'	826	N/A	N/A	N/A	N/A	N/A
BH #1 30'	514	N/A	N/A	N/A	N/A	N/A
BH #1 35'	34.7	N/A	N/A	N/A	N/A	N/A
BH #1 40'	24.3	ND	ND	ND	ND	ND
BH #2 Surface	2260	ND	ND	ND	ND	ND
BH #2 5'	1110	N/A	N/A	N/A	N/A	N/A
BH #2 10'	1330	N/A	N/A	N/A	N/A	N/A
BH #2 15'	1430	N/A	N/A	N/A	N/A	N/A
BH #2 20'	590	N/A	N/A	N/A	N/A	N/A
BH #2 25'	349	N/A	N/A	N/A	N/A	N/A
BH #2 30'	540	ND	ND	ND	ND	ND
BH #2 35'	282	N/A	N/A	N/A	N/A	N/A
BH #2 40'	115	N/A	N/A	N/A	N/A	N/A
BH #2 45'	77.6	ND	ND	ND	ND	ND

Site 4: Lab Project #440219

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	17.8	N/A	N/A	N/A	N/A	N/A
BH #1 5'	N/A	N/A	N/A	N/A	N/A	N/A
BH #1 10'	646	ND	ND	ND	ND	ND
BH #1 15'	182	N/A	N/A	N/A	N/A	N/A
BH #1 20'	14.4	ND	ND	ND	ND	ND
BH #2 Surface	355	N/A	N/A	N/A	N/A	N/A
BH #2 5'	887	ND	ND	ND	ND	ND
BH #2 10'	1100	N/A	N/A	N/A	N/A	N/A
BH #2 15'	259	N/A	N/A	N/A	N/A	N/A
BH #2 20'	251	ND	ND	ND	ND	ND
BH #3' Surface	1660	N/A	N/A	N/A	N/A	N/A
BH #3 5'	N/A	N/A	N/A	N/A	N/A	N/A
BH #3 10'	968	ND	ND	ND	ND	ND
BH #3 15'	627	N/A	N/A	N/A	N/A	N/A
BH #3 20'	461	N/A	N/A	N/A	N/A	N/A
BH #3 25'	450	N/A	N/A	N/A	N/A	N/A
BH #3 30'	390	N/A	N/A	N/A	N/A	N/A
BH #3 35'	235	N/A	N/A	N/A	N/A	N/A
BH #3 40'	153	N/A	N/A	N/A	N/A	N/A
BH #3 45'	152	ND	ND	ND	ND	ND

Site 6: Lab Project #439520

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	1070	N/A	N/A	N/A	N/A	N/A
BH #1 5'	2480	ND	ND	ND	ND	ND
BH #1 10'	1010	N/A	N/A	N/A	N/A	N/A
BH #1 15'	905	N/A	N/A	N/A	N/A	N/A
BH #1 20'	9.08	N/A	N/A	N/A	N/A	N/A
BH #1 25'	<6.00	ND	ND	ND	ND	ND
BH #2 Surface	348	N/A	N/A	N/A	N/A	N/A
BH #2 5'	N/A	N/A	N/A	N/A	N/A	N/A
BH #2 10'	1110	ND	ND	ND	ND	ND
BH #2 15'	N/A	N/A	N/A	N/A	N/A	N/A
BH #2 20'	148	N/A	N/A	N/A	N/A	N/A
BH #2 25'	143	ND	ND	ND	ND	ND
BH #3 Surface	2070	N/A	N/A	N/A	N/A	N/A
BH #3 5'	N/A	N/A	N/A	N/A	N/A	N/A
BH #3 10'	509	ND	ND	ND	ND	ND
BH #3 15'	153	N/A	N/A	N/A	N/A	N/A
BH #3 20'	9.69	N/A	N/A	N/A	N/A	N/A
BH #3 25'	11.1	ND	ND	ND	ND	ND

Site 7: Lab Project #439521

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	1650	N/A	N/A	N/A	N/A	N/A
BH #1 5'	4890	ND	ND	ND	ND	ND
BH #1 10'	861	N/A	N/A	N/A	N/A	N/A
BH #1 15'	1470	N/A	N/A	N/A	N/A	N/A
BH #1 20'	1070	N/A	N/A	N/A	N/A	N/A
BH #1 25'	430	N/A	N/A	N/A	N/A	N/A
BH #1 28'	93.4	ND	ND	ND	ND	ND

Site 10: Lab Project #439522

Sample Point	Chloride (mg/kg)	TPH (mg/kg)	Benzene (ug/kg)	Toluene (ug/kg)	Ethyl Benzene (ug/kg)	Xylenes (ug/kg)
BH #1 Surface	209	N/A	N/A	N/A	N/A	N/A
BH #1 5'	874	N/A	N/A	N/A	N/A	N/A
BH #1 10'	459	N/A	N/A	N/A	N/A	N/A
BH #1 15'	48.2	N/A	N/A	N/A	N/A	N/A
BH #1 20'	<6.00	ND	ND	ND	ND	ND
BH #2 Surface	273	N/A	N/A	N/A	N/A	N/A
BH #2 5'	563	ND	ND	ND	ND	ND
BH #2 10'	1410	N/A	N/A	N/A	N/A	N/A
BH #2 15'	1150	N/A	N/A	N/A	N/A	N/A
BH #2 20'	1090	N/A	N/A	N/A	N/A	N/A
BH #2 25'	125	N/A	N/A	N/A	N/A	N/A
BH #2 27'	67.0	ND	ND	ND	ND	ND
BH #3 Surface	8.39	N/A	N/A	N/A	N/A	N/A
BH #3 5'	1090	ND	ND	ND	ND	ND
BH #3 10'	149	N/A	N/A	N/A	N/A	N/A
BH #3 15'	29.3	ND	ND	ND	ND	ND

Denton #1 SWD Mainline/Delineation Report
September 28, 2004

Americo Energy
Lea County, New Mexico

Main Line Leak Southeast of Legacy battery
July 2004

Date	Sample ID	Cl ⁻ (mg/Kg)
9/23/04	SS-1	23993
9/23/04	SS-2	33989
9/23/04	SS-3	31190
9/23/04	SS-4	27591
9/23/04	SS-5	14396
9/23/04	SS-6	21593
9/23/04	SS-7	26792
9/23/04	BH #1, 5'	2495
9/23/04	BH #1, 8-10'	2559
9/23/04	BH #1, 20'	1136
9/23/04	BH #1, 25'	2719
9/23/04	BH #1, 27'	1152
9/23/04	BH #2, 5'	6158
9/23/04	BH #2, 15'	3439
9/23/04	BH #2, 20'	2575

Date	Sample ID	Cl ⁻ (mg/Kg)
9/23/04	BH #2, 25'	160
9/23/04	BH #2, 30'	320
9/23/04	BH #3, 5'	1600
9/23/04	BH #3, 10'	80
9/23/04	BH #3, 15'	48
9/23/04	BH #3, 20'	32
9/23/04	BH #3, 25'	48
9/24/04	BH #4, 5'	112
9/24/04	BH #4, 10'	48
9/24/04	BH #5, 5'	192
9/24/04	BH #5, 10'	96
9/24/04	BH #6, 5'	288
9/24/04	BH #6, 10'	80
9/24/04	BH #6, 15'	64

After samples were retrieved all boreholes were plugged back to surface with bentonite.

VI. Figures & Appendices

Figure 1 – Vicinity Map

Figure 2 – Site Plan

Appendix A – C-141

Appendix B – Analytical Results

Appendix C – Site Photos

Denton SWD Main Battery
Spill Area Southeast of Rty
March 2007

Fasken Denton SWD
Fas-07-001
Results From Boreholes

Sample ID	Field Chlorides (PPM)	Lab Chlorides	TPH: GRO	TPH: DRO	Total
BH 7 6"	236	1100			
BH 7 5'	644	1200			
BH 7 10'	1384	440			
BH 7 15'	2532	1900			
BH 7 20'	2008	1700			
BH 7 25'	1196	850			
BH 7 30'	1288	1300			
BH 7 35'	1288	1600			
BH 7 40'	956	910			
BH 7 45'	884	550			
BH 7 50'	644	490			22
BH 8 6"	5458	5800			
BH 8 5'	1856	2100			
BH 8 10'	644	800			
BH 8 15'	644	640			
BH 8 20'	956	880			
BH 8 25'	956	310			
BH 8 30'	412	370			
BH 8 35'	336	360			
BH 8 40'	<124	64			17
BH 9 6"	5932	4700			
BH 9 5'	1416	1800			
BH 9 10'	1860	800			
BH 9 15'	268	210			
BH 9 20'	148	110			14
BH 10 6"	2008	2200	80	1200	1300
BH 10 5'	592	930	670	2000	2700
BH 10 10'	176	100	1500	4000	5500
BH 10 15'	N/A	170	62	310	370
BH 10 20'	N/A	290	ND	ND	ND

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(432) 687-1777
jimmyc@forl.com

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Jimmy D. Carlile
Regulatory Affairs Coordinator

July 31, 2009

Mr. Geoffrey Leking
Environmental Engineer
New Mexico Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

Dear Mr. Leking,

Re: Fasken Oil and Ranch, Ltd.
Proposed Cleanup of Historic Salt Water Spill Sites
Denton Salt Water Disposal System
Denton; Wolfcamp and Devonian Fields
Lea County, New Mexico

Fasken Oil and Ranch, Ltd. is operator of the Denton Salt Water Disposal System serving the Denton; Wolfcamp and Devonian Fields in Lea County. Fasken has identified 8 potential historic salt water spill sites that are in need of remediation. Each of these sites has been delineated both horizontally and vertically. Fasken proposes the following risk based correction action plan to begin to remediate these sites.

Fasken will bring in an environmental contractor to excavate heavily chloride contaminated soil from above the caliche layer. We have found the caliche layer to range from 3 feet to 5 feet in depth across this area. This material will be hauled off site to an NMOCD approved land fill that is permitted to accept chloride contaminated material. Field testing will be utilized to provide updated delineation information. Laboratory analysis will be used to support final excavation limits.

A 20 mil liner will be installed above the caliche layer once the contaminated material is removed. Before the liner is put into the excavation, we will contact and secure NMOCD approval to place the liner and begin backfilling. Clean material will be backhauled and stockpiled on location to complete the backfill process. Backfill material will be sampled for chloride contamination before it is put into the excavation. Rock free material will be used to cover the liner and topsoil similar in quality to what was excavated will be used for the top 3 feet of fill.

As additional information, I have attached a map showing the location of these potential historic salt water spill sites along with the results of the vertical delineation for each site. The delineation and sampling of these sites was supervised by Safety and Environmental Solutions, Inc. out of Hobbs.

If you have any questions concerning this proposed plan please contact me at (432) 687-1777 or email me at jimmyc@forl.com.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator



P.O. Box 1613
703 East Clinton Street
Hobbs, New Mexico 88240
O: 575/397-0510
F: 575/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

May 5, 2011

Mr. Jimmy Carlile
Regulatory Affairs Coordinator
Fasken Oil and Ranch, Ltd.
303 West Wall, Suite 1800
Midland, Texas 79701-5116

RE: FAS-10-004 Denton SWD Main line Groundwater Quality Sampling

Dear Mr. Carlile:

At the request of Fasken Oil and Ranch Ltd, Safety & Environmental Solutions, Inc. was onsite on April 26, 2011 for the purpose to sample the monitor well located approximately 0.1 miles southeast of the Legacy Battery for water quality constituents as required by the New Mexico Environment Department.

The sample for monitor well #1 was collected and transported under chain of custody to Hall Environmental Analysis Laboratory of Albuquerque, New Mexico and analyzed for Chloride (Cl⁻) (EPA Method 300.0), Total Dissolved Solids (TDS) (EPA Method SM2540C) and Benzene, Toluene, Ethylbenzene, and Total Xylenes (BTEX) (EPA Method 8260).

The results of the analysis are as follows:

Lab ID	Sample ID	Cl ⁻ (mg/L)	Total Dissolved Solids (mg/L)	Benzene (mg/L)	Toluene (mg/L)	Ethyl benzene (mg/L)	Total Xylenes (mg/L)
Groundwater Standards		250(mg/L)	1,000 (mg/L)	0.01 (mg/L)	0.75 (mg/L)	0.75 (mg/L)	0.62(mg/L)
Analysis Date:-		11/08/10	11/05/10	11/05/10	11/05/10	11/05/10	11/08/10
101117-01	MW #1	38	820	<0.001	<0.001	<0.001	<0.002
Analysis Date:		1/20/11	1/21/11	1/20/11	1/20/11	1/20/11	1/20/11
1101568-01	MW #1	41	720	<0.001	<0.001	<0.001	<0.002
Analysis Date:		4/27/11	5/1/11	4/29/11	4/29/11	4/29/11	4/29/11
1104949-01	MW #1	38	540	<0.001	<0.001	<0.001	<0.002

As the result of the analysis, the sample for MW #1 does not exceed groundwater standards.

If you have any questions, please contact me at (575) 397-0510.

Sincerely,

Sergio Contreras
Operations Manager

FASKEN OIL AND RANCH, LTD.
303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116
(432) 687-1777 Phone
(432) 687-1570 Fax

FAX TRANSMITTAL FORM

HOBBS OCD

MAY 03 2011

To: Geoff Leking

Company: NMOCD - Hobbs

RECEIVED

Date: May 2, 2011

Phone #: (575) 393-6161

Fax #: (575) 393-0720

Number of Pages (including cover): 2

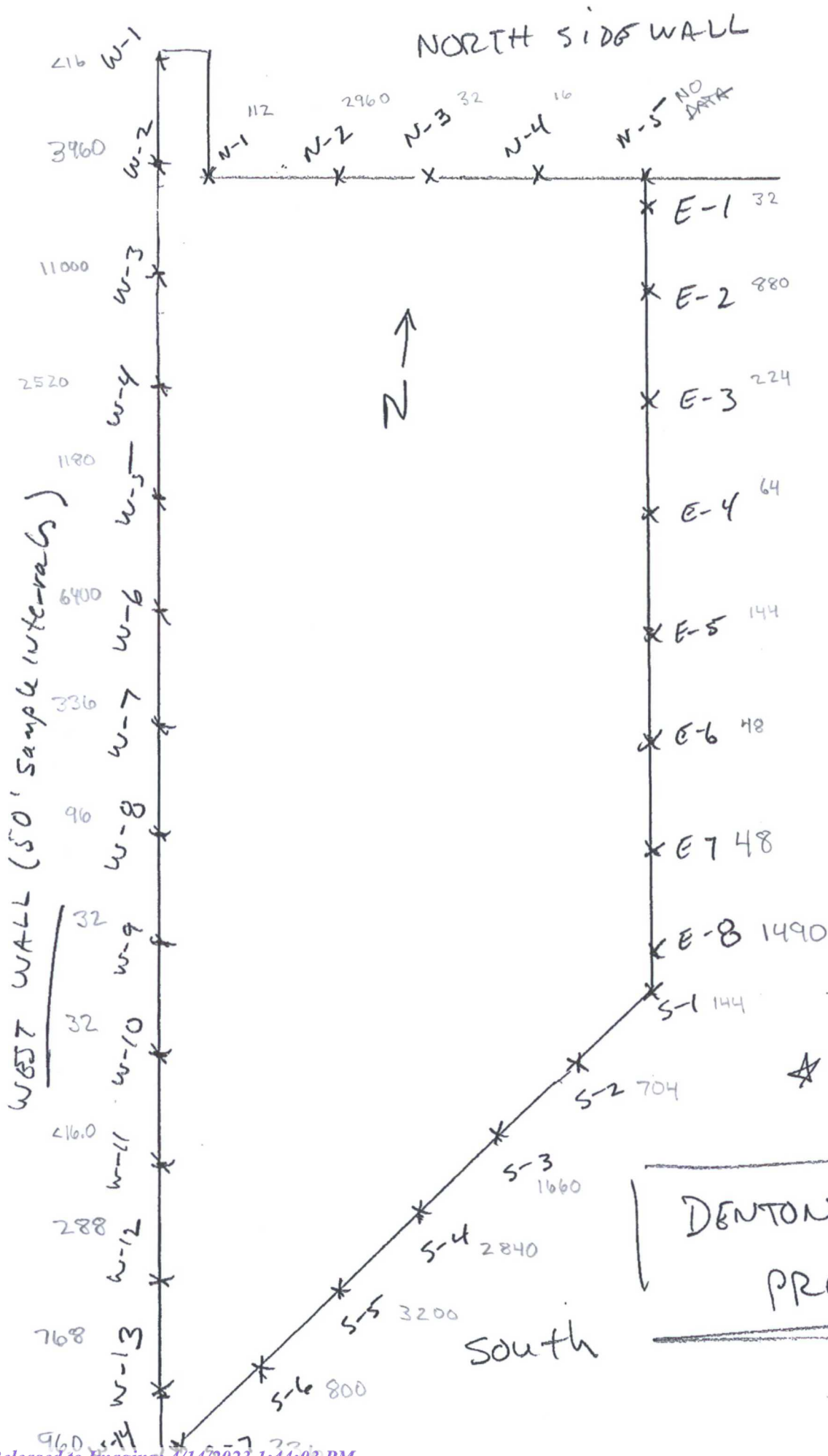
Sent By: Jimmy D. Carlile
Regulatory Affairs Coordinator

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Geoff,

Mike Stubblefield with Talon requested I send you this C141 on the Denton Americo Spill remediation that we are trying to close. Mike will be calling you back shortly on this. I apologize for the poor copy. It's the best one we have in our files.

Jimmy D. Carlile



HOBBS OCD

MAY 02 2011

RECEIVED

HOBBS OCD

MAY 02 2011

RECEIVED

EAST





APR 29 2011

PHONE (575) 393-2326 • 101 E. MAIN ST. HOBBS, NM 88240

April 26, 2011

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: DENTON MAINLINE

Enclosed are the results of analyses for samples received by the laboratory on 04/21/11 12:45.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: N - 1 (H100823-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	112	16.0	04/26/2011	ND	416	104	400	3.77	

Sample ID: N - 2 (H100823-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2960	16.0	04/26/2011	ND	416	104	400	3.77		

Sample ID: N - 3 (H100823-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	04/26/2011	ND	416	104	400	3.77	

Sample ID: N - 4 (H100823-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	04/26/2011	ND	416	104	400	3.77	

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: E - 1 (H100823-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	04/26/2011	ND	416	104	400	3.77	

Sample ID: E - 2 (H100823-06)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	880	16.0	04/26/2011	ND	416	104	400	3.77	

Sample ID: E - 3 (H100823-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	224	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: E - 4 (H100823-08)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: E - 5 (H100823-09)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	144	16.0	04/26/2011	ND	432	108	400	0.00	

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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: E - 6 (H100823-10)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: E - 7 (H100823-11)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	48.0	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: E - 8 (H100823-12)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1490	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: S - 1 (H100823-13)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	144	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: S - 2 (H100823-14)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	704	16.0	04/26/2011	ND	432	108	400	0.00		

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S - 3 (H100823-15)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1660	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: S - 4 (H100823-16)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2840	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: S - 5 (H100823-17)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	3200	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: S - 6 (H100823-18)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	800	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: S - 7 (H100823-19)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	336	16.0	04/26/2011	ND	432	108	400	0.00		

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: W - 1 (H100823-20)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 2 (H100823-21)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	3960	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 3 (H100823-22)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	11000	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: W - 4 (H100823-23)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2520	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 5 (H100823-24)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1180	16.0	04/26/2011	ND	432	108	400	0.00	

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: W - 6 (H100823-25)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	6400	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: W - 7 (H100823-26)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	336	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 8 (H100823-27)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 9 (H100823-28)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 10 (H100823-29)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	04/26/2011	ND	432	108	400	0.00	

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/21/2011
 Reported: 04/26/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/20/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: W - 11 (H100823-30)

Chloride, SM4500Cl-B			mg/kg							
			Analyzed By: HM							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 12 (H100823-31)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	288	16.0	04/26/2011	ND	432	108	400	0.00	

Sample ID: W - 13 (H100823-32)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	768	16.0	04/26/2011	ND	432	108	400	0.00		

Sample ID: W - 14 (H100823-33)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	04/26/2011	ND	432	108	400	0.00		

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Celey D. Keene, Lab Director/Quality Manager

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Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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A handwritten signature in black ink, appearing to read "Celey D. Keene".

Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

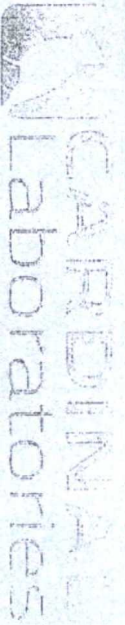
101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

BILL TO				ANALYSIS REQUEST													
Company Name: <u>Carlson LLP</u>				P.O. #:													
Project Manager: <u>Mike Stottfield</u>				Company: <u>Carlson LLP</u>													
Address: <u>408 W. Texas Ave.</u>				Attn:													
City: <u>Alameda</u>				Address:													
State: <u>NM</u> Zip: <u>88210</u>				City:													
Phone #: <u>505-441-7254</u> Fax #: <u></u>				State: <u></u> Zip: <u></u>													
Project #: <u>701014.024.01</u> Project Owner: <u></u>				Phone #: <u></u> Fax #: <u></u>													
Project Name: <u>Oenion main line</u>				Total Chlorides													
Project Location: <u></u>																	
Sampler Name: <u>Mike Stottfield</u>																	
FOR LAB USE ONLY																	
Lab I.D.	Sample I.D.	# CONTAINERS	MATRIX	PRESERV	SAMPLING	DATE	TIME										
1	N-1	6	GROUNDWATER	ACID/BASE		4/20/2011	9:53A										
2	N-2	6	GROUNDWATER	ICE / COOL		4/20/2011	9:55A										
3	N-3	6	GROUNDWATER	OTHER		4/20/2011	9:57A										
4	N-4	6	GROUNDWATER	SLUDGE		4/20/2011	10:00A										
5	E-1	6	GROUNDWATER	OTHER		4/20/2011	10:04A										
6	E-2	6	GROUNDWATER	SOIL		4/20/2011	10:10A										
7	E-3	6	GROUNDWATER	WASTEWATER		4/20/2011	10:17A										
8	E-4	6	GROUNDWATER	SLUDGE		4/20/2011	10:20A										
9	E-5	6	GROUNDWATER	ICE / COOL		4/20/2011	10:20A										
10	E-6	6	GROUNDWATER	OTHER		4/20/2011	10:20A										

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Relinquished By: <u>Mike Stottfield</u>	Received By: <u>Jodi Benson</u>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #: <u></u>
Date: <u>4/21/2011</u>	Date: <u>4/21/2011</u>	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #: <u></u>
Time: <u>12:45 PM</u>	Time: <u></u>	REMARKS:	
Date: <u></u>	Date: <u></u>		
Time: <u></u>	Time: <u></u>		
Delivered By: (Circle One)	Sample Condition	CHECKED BY: <u>Jodi Benson</u>	
Sampler - UPS - Bus - Other:	Cool <input type="checkbox"/> Intact <input type="checkbox"/>	Initials: <u>JTB</u>	
	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

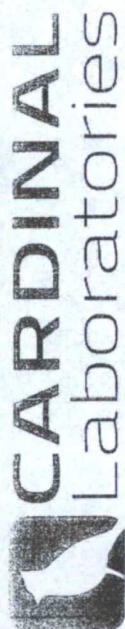


CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Maryland, Hobbs, NM 88240
(505) 393-2326 FAX (505) 393-2478

2-4

Company Name: Talon/LPE		P.O. #:		BILL TO		ANALYSIS REQUEST	
Project Manager: Mike Stubblefield		City: Artesia		State: NM Zip: 88210		Company: Talon/LPE	
Address: 408 W. Texas Ave.		City: Artesia		State: NM Zip: 88210		Company: Talon/LPE	
Phone #: 505-441-7254		Fax #: 505-246-9105		Address:		City:	
Project #: 701014.024.01		Project Owner: Falkenol + Ranch		State: NM Zip: 88210		City:	
Project Name: Denton Mainline		Phone #:		Fax #:		City:	
Project Location:		Phone #:		Fax #:		City:	
Sampler Name: me Stubblefield		PRESERV		SAMPLING		Total Chlorides	
FOR USE ONLY:		ACID/BASE:		ICE / COOL:		OTHER:	
Lab I.D. Sample I.D.		GROUNDWATER		WASTEWATER		SOIL	
HID023-11-E-7		✓		✓		✓	
12-E-8		✓		✓		✓	
13-S-1		✓		✓		✓	
14-S-2		✓		✓		✓	
15-S-3		✓		✓		✓	
16-S-4		✓		✓		✓	
17-S-5		✓		✓		✓	
18-S-6		✓		✓		✓	
19-S-7		✓		✓		✓	
20-W-1		✓		✓		✓	
DATE		TIME		DATE		TIME	
4/10/2011		10:23 A		4/10/2011		10:28 A	
4/10/2011		10:28 A		4/10/2011		10:30 A	
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4/10/2011		13:32 A		4/10/2011			



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

3-4

BILL TO		ANALYSIS REQUEST															
Company Name: Talon LPE		P.O. #:															
Project Manager: Mike Stofletfeld		Company: Talon LPE															
Address: 408 W. Texas Ave		Attn:															
City: Artesia		State: NM		Zip: 88210													
Phone #: 505-441-7234		Fax #: 505-746-8405		Address:													
Project #: 70014.024.01		Project Owner: Fasten On Ranch		City:													
Project Name: Creation Main Line		State:		Zip:													
Project Location:		Phone #:															
Sampler Name: Mike Stofletfeld		Fax #:															
Lab I.D.	Sample I.D.	(G) RAB OR (C) OMP	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	PRESERV	SAMPLING	DATE	TIME	Total Chlorides
H100873-21	W-2	G													4/20/2011	10:54 A	
22	W-3	G													4/20/2011	10:56 A	
23	W-4	G													4/20/2011	10:58 A	
24	W-5	G													4/20/2011	11:00 A	
25	W-6	G													4/20/2011	11:02 A	
26	W-7	G													4/20/2011	11:04 A	
27	W-8	G													4/20/2011	11:06 A	
28	W-9	G													4/20/2011	11:10 A	
29	W-10	G													4/20/2011	11:12 A	
30	W-11	G													4/20/2011	11:14 A	

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Relinquished By: <u>Mike Stofletfeld</u>	Date: <u>4/21/2011</u>	Received By: <u>Adie Benson</u>	Date: <u>4/21/2011</u>
Relinquished By: _____	Time: <u>12:41 PM</u>	Received By: _____	Time: _____
Delivered By: (Circle One)		Sample Condition	
Sampler - UPS - Bus - Other:		Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/>	Checked By: <u>Adie Benson</u>
		Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>	Initials: <u>Adie</u>

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APR 29 2011

PHONE (575) 393-2311 • HOBBS, NM 88240

April 28, 2011

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: DENTON MAINLINE

Enclosed are the results of analyses for samples received by the laboratory on 04/28/11 12:48.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received: 04/28/2011
 Reported: 04/28/2011
 Project Name: DENTON MAINLINE
 Project Number: 701014.024.01
 Project Location: DENTON MAINLINE

Sampling Date: 04/28/2011
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: N - 2 (H100880-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	04/28/2011	ND	432	108	400	0.00	

Sample ID: E - 8 (H100880-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	04/28/2011	ND	432	108	400	0.00	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

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Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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A handwritten signature in black ink, reading "Celey D. Keene".

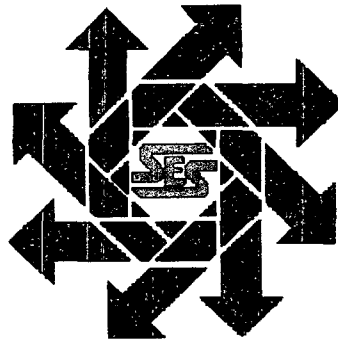
Celey D. Keene, Lab Director/Quality Manager

ARDINAL LABORATORIES
101 East Marland, Hobbs, NM 88240
(505) 393-2326 FAX (505) 393-2476

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

**Americo Energy
Denton #1 SWD Mainline
Delineation Report
Unit J, Section 11, Township 15S, Range 37E
Lea County, New Mexico**

September 28, 2004



*10.1.04 - 10 AM
MEET @ SESI OFFICE
DISCUSS w/ BOB & Dave.
SUGGEST DRILL TO WATER TO
CHECK FOR IMPACTION- NEED
FURTHER DELINEATION
SJ*

Prepared for:

Americo Energy
10940 Old Katy Road
Houston, Texas 77043

By:

Safety & Environmental Solutions, Inc.
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
PHONE (505) 397-0510; FAX (505) 393-4388
Email: ballen@sesi-nm.com



*Americo - 228051
facility - fPAC060394629
incident - nPAC0603946782
application - pPAC0603947023*

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I. Company Contacts

Rusty Arnold	Americo	713-984-9700	rusty.arnold@americoenergy.com
Bob Allen	SESI	505-397-0510	ballen@sesi-nm.com

II. Background

Safety and Environmental Solutions, Inc. (SESI) was engaged to perform delineation and cleanup services on the Denton #1 SWD Mainline. The site is located in Unit J, Section 11, Township, 15S, Range 37E. The land is owned by Mr. Darr Angell.

On July 25, 2004 the Denton # 1 SWD Mainline, which is a 10" red thread fiberglass pipe, split halfway through. Approximately 10,000 barrels of salt water were released. The release covered an area approximately 500' X 1,000'. The line was shut down and excavated with a backhoe. The damaged section of the line was removed and replace with new.

According to Permian Production Chemical analysis of the produced water, which flows through this line, indicate the chloride levels to be 53,053 ppm.

III. Surface and Ground Water

According to the New Mexico State Engineer online database the nearest water well is in the same quarter, section, range, and township is 96 feet. This measurement was taken in March of 1977.

IV. Soils

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

V. Work Performed

On September 23, 2004, SESI retrieved seven (7) surface samples at the subject site. ECO Drilling of Midland, Texas was contracted to install six (6) boreholes at the site.

Borehole #1 was drilled to a depth of 30'; grab samples were retrieved at the 5', 8'-10', 20', 25', and 27' depths. Borehole #2 was drilled to a depth of 30'; grab samples were retrieved at the 5', 15', 20', 25', and 30' depths. Borehole #3 was drilled to a depth of 25'; grab samples were retrieved at the 5', 10', 15', 20', and 25'. Borehole #4 was drilled to a depth of 20'; grab samples were retrieved at the 5' and 10' depths. Borehole #5 was drilled to a depth of 10' when auger refusal was encountered, grab samples were retrieved at the 5' and 10' depths. Borehole #6 was drilled to a depth of 15'; grab samples were retrieved at the 5', 10', and 15' depths.

All samples were properly packaged and preserved and sent under chain of custody to Cardinal Laboratories of Hobbs, New Mexico for analysis. The samples were analyzed for Chlorides (EPA Method 4500-ClB).

The results of the analysis are as follows:

Denton #1 SWD Mainline/Delineation Report
September 28, 2004

Americo Energy
Lea County, New Mexico

Date	Sample ID	Cl ⁻ (mg/Kg)
9/23/04	SS-1 <i>SURFACE SAMPLE</i>	23993
9/23/04	SS-2	33989
9/23/04	SS-3	31190
9/23/04	SS-4	27591
9/23/04	SS-5	14396
9/23/04	SS-6	21593
9/23/04	SS-7	26792
9/23/04	BH #1, 5'	2495
9/23/04	BH #1, 8-10'	2559
9/23/04	BH #1, 20'	1136
9/23/04	BH #1, 25'	2719
9/23/04	BH #1, 27'	1152
9/23/04	BH #2, 5'	6158
9/23/04	BH #2, 15'	3439
9/23/04	BH #2, 20'	2575

*Auger
REF ID: A111*

Date	Sample ID	Cl ⁻ (mg/Kg)
9/23/04	BH #2, 25'	160
9/23/04	BH #2, 30'	320
9/23/04	BH #3, 5'	1600
9/23/04	BH #3, 10'	80
9/23/04	BH #3, 15'	48
9/23/04	BH #3, 20'	32
9/23/04	BH #3, 25'	48
9/24/04	BH #4, 5'	112
9/24/04	BH #4, 10'	48
9/24/04	BH #5, 5'	192
9/24/04	BH #5, 10'	96
9/24/04	BH #6, 5'	288
9/24/04	BH #6, 10'	80
9/24/04	BH #6, 15'	64

After samples were retrieved all boreholes were plugged back to surface with bentonite.

VI. Figures & Appendices

Figure 1 – Vicinity Map

Figure 2 – Site Plan

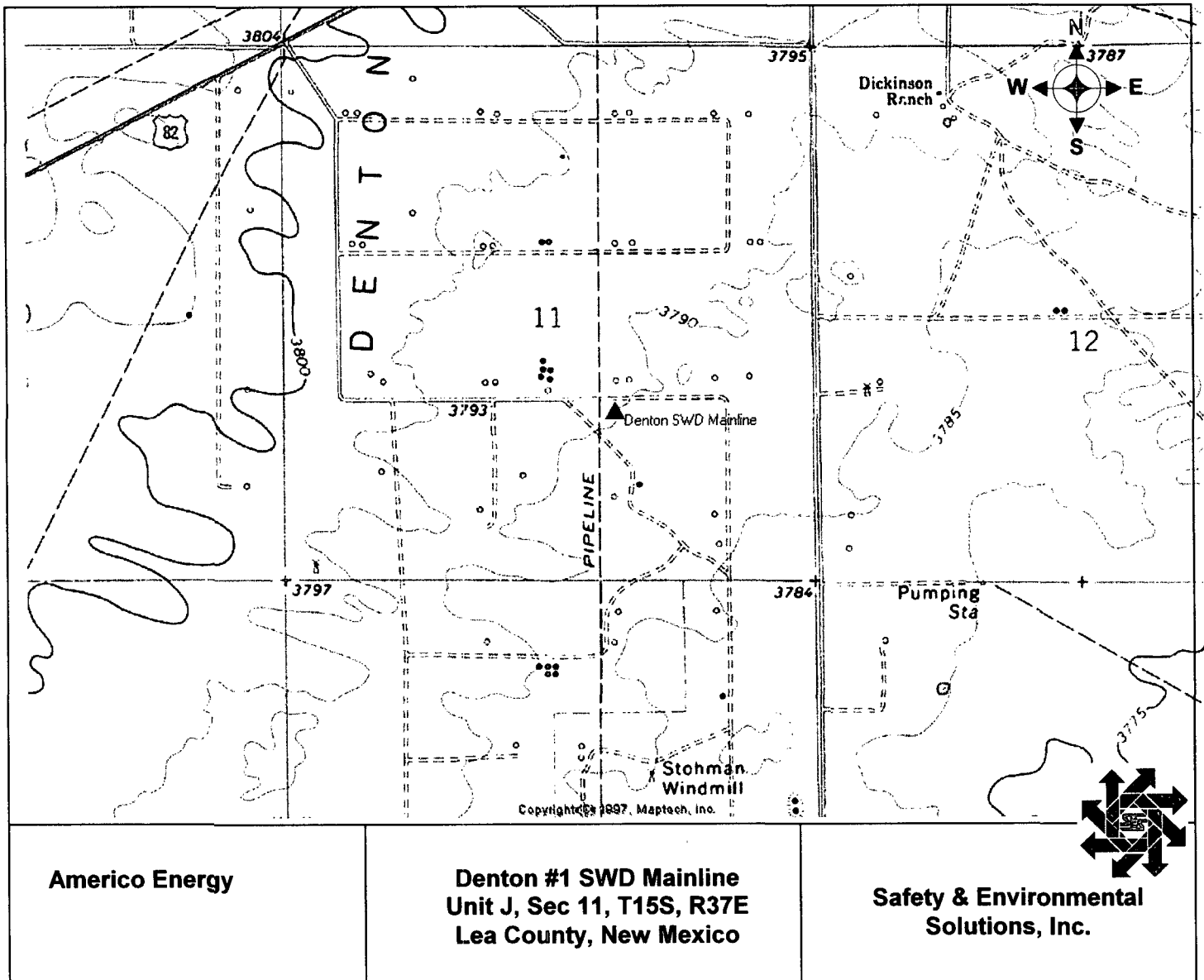
Appendix A – C-141

Appendix B – Analytical Results

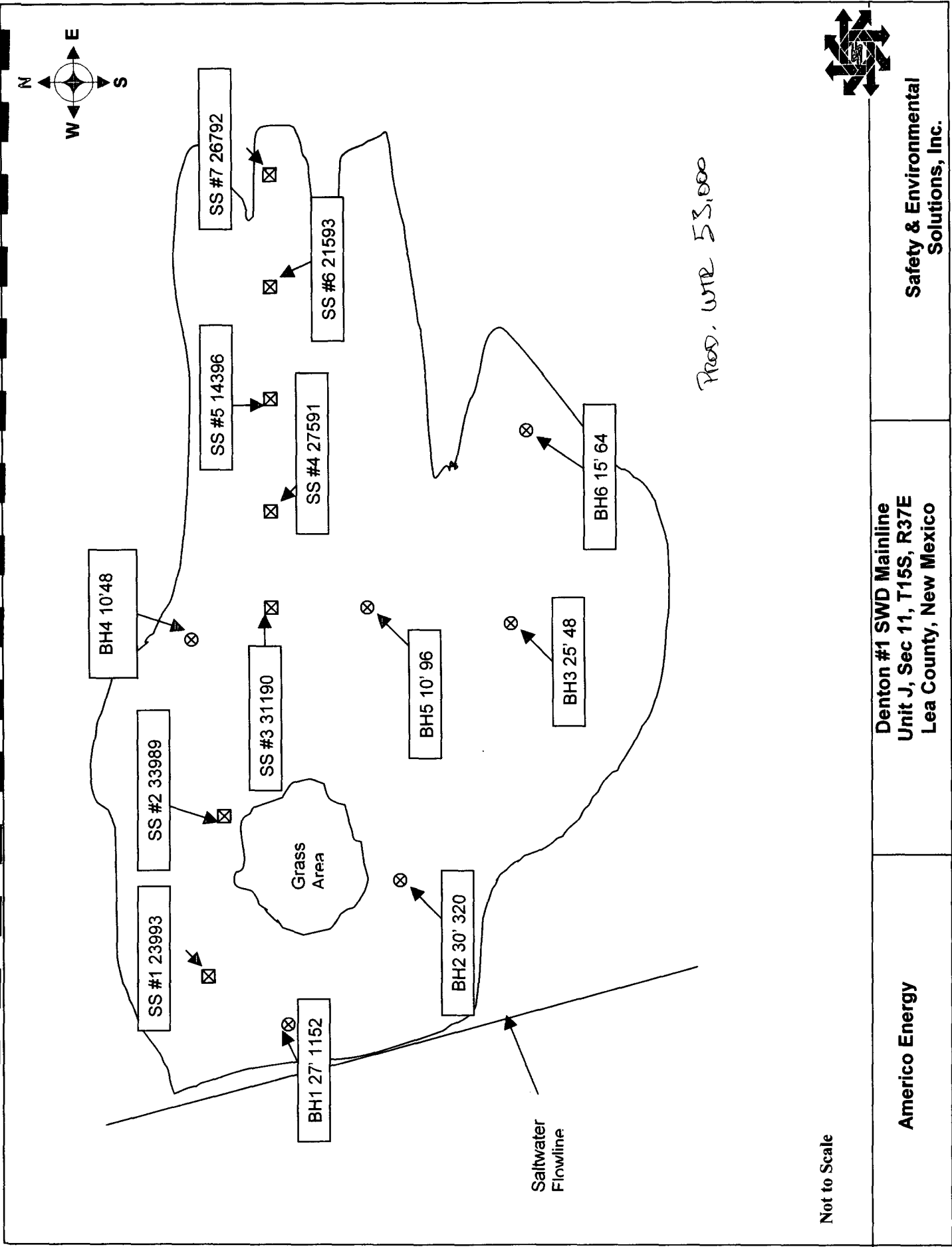
Appendix C – Site Photos

SS- SURFACE SAMPLE

Figure 1 Vicinity Map



Appendix B Site Plan



Safety & Environmental
Solutions, Inc.

Denton #1 SWD Mainline
Unit J, Sec 11, T15S, R37E
Lea County, New Mexico

Americo Energy

Appendix A

C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1307 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brizos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	AMERICO ENERGY RESOURCES	Contact	STEVE SMITH
Address	10440 OLD KATY RD. HOUSTON, TX 77043	Telephone No.	441-0926
Facility Name	VENTEN SAND #1	Facility Type	SALT WATER DISPOSAL LINE
Surface Owner	DARR PATELL	Mineral Owner	
		Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	11	155	39E	UNK	UNK	UNK	UNK	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	SALT WATER	Volume of Release	10,000	Volume Recovered	0
Source of Release	WATER LINE	Date and Hour of Occurrence	7/25	Date and Hour of Discovery	7/25 11 AM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? DARR PATELL / LARRY WINK			
By Whom?	Date and Hour				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			


If a Watercourse was Impacted, Describe Fully.

Describe Cause of Problem and Remedial Action Taken. 10" RED THERMAN FIBERGLASS PIPE, SPLOT RAILROAD
THROUGH. SHOT DOWN LINE, ESTIMATED BY DARR PATELL, REMOVED BAD SECTION OF PIPE
AND REPLACED BY NEW.

Describe Area Affected and Cleanup Action Taken. APPROXIMATELY 500' X 1000' MATURE GRASSES.
CONTACTED LAND OWNER, HE ADVISED HE WANTED ENTIRE ARE ESCAVATED AND
NEW DIRT PUT IN TO GRAZE.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor:		
Printed Name: STEPHEN B. SMITH	Approval Date:	Expiration Date:	
Title: DISTRICT SUPERVISOR / AREA REP.	Conditions of Approval:		Attached <input type="checkbox"/>
E-mail Address: SMITHSERV@UTMAIL.COM			
Date: 8/5/04	Phone: 441-0926		

Attach Additional Sheets If Necessary

136317 59 ft
59'

Appendix B

Analytical Results



PHONE (815) 679-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388**

Receiving Date: 09/27/04
Reporting Date: 09/28/04
Project Number: AME-04-001
Project Name: DENTON #1 SWD & MAINLINE
Project Location: NE LOVINGTON, NM

Analysis Date: 09/28/04
Sampling Date: 09/23/04
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H9191-1	SS-1 (SURFACE SAMPLE)	23993
H9191-2	SS-2 (SURFACE SAMPLE)	33989
H9191-3	SS-3 (SURFACE SAMPLE)	31190
H9191-4	SS-4 (SURFACE SAMPLE)	27591
H9191-5	SS-5 (SURFACE SAMPLE)	14396
H9191-6	SS-6 (SURFACE SAMPLE)	21593
H9191-7	SS-7 (SURFACE SAMPLE)	26792
H9191-8	BH 1, 5'	2495
H9191-9	BH 1, 8-10'	2559
H9191-10	BH 1, 20'	1136
H9191-11	BH 1, 25'	2719
H9191-12	BH 1, 27'	1152
Quality Control		1020
True Value QC		1000
% Recovery		102
Relative Percent Difference		4.9

METHOD: Standard Methods

4500-Cl⁻B

Note: Analyses performed on 1:4 w/v aqueous extracts.


Chemist


Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

H9191a



PHONE (916) 678-7001 • 2111 BEECHWOOD • ABILENE, TX 79603
 PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
 ATTN: BOB ALLEN
 703 E. CLINTON, #102
 HOBBS, NM 88240
 FAX TO: (505) 393-4388

Receiving Date: 09/27/04
 Reporting Date: 09/28/04
 Project Number: AME-04-001
 Project Name: DENTON #1 SWD & MAINLINE
 Project Location: NE LOVINGTON, NM

Analysis Date: 09/28/04
 Sampling Date: 09/23/04
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AH
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H9191-13	BH 2, 5'	6158
H9191-14	BH 2, 15'	3439
H9191-15	BH 2, 20'	2575
H9191-16	BH 2, 25'	180
H9191-17	BH 2, 30'	320
H9191-18	BH 3, 5'	1600
H9191-19	BH 3, 10'	80
H9191-20	BH 3, 15'	48
H9191-21	BH 3, 20'	32
H9191-22	BH 3, 25'	48
H9191-23	BH 4, 5'	112
H9191-24	BH 4, 10'	48
Quality Control		1020
True Value QC		1000
% Recovery		102
Relative Percent Difference		4.9

METHOD: Standard Methods

4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

H9191B



PHONE (915) 878-7001 • 2111 BEECHWOOD • ABILENE, TX 79603
 PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR
 SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
 ATTN: BOB ALLEN
 703 E. CLINTON, #102
 HOBBS, NM 88240
 FAX TO: (505) 393-4388**

Receiving Date: 09/27/04
 Reporting Date: 09/28/04
 Project Number: AME-04-001
 Project Name: DENTON #1 SWD & MAINLINE
 Project Location: NE LOVINGTON, NM

Analysis Date: 09/28/04
 Sampling Date: 09/23/04
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AH
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H9191-25	BH 5, 5'	192
H9191-26	BH 5, 10'	96
H9191-27	BH 6, 5'	288
H9191-28	BH 6, 10'	80
H9191-29	BH 6, 15'	64
Quality Control		1020
True Value QC		1000
% Recovery		102
Relative Percent Difference		4.9

METHOD: Standard Methods

4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Amy Hill
 Chemist

9/28/04
 Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

H9191C

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88249
(915) 673-7021 Fax (915) 673-7020 (505) 393-2328 Fax (505) 393-2478

ANALYSIS REQUEST									
Project Name: SAFETY & ENVIRONMENTAL SOLUTIONS									
Project Manager: Bob Allen									
Address: 703 E. CLINTON, #102									
City: HOBBES									
State: NM Zip: 88240									
Phone #: (505) 397-0510 Fax #: (505) 393-4388									
Project #: BME-04-001 Project Owner: America Energy									
Project Name: Denton #1 SW & Main Line									
Project Location: NE Lovington									
Sampler Name: Boyer									
FOR LABORATORY USE ONLY									
Lab I.D.	Sample I.D.	MATRIX	PRESERV.	SAMPLING	DATE	TIME	PHONE RESULTS	YES	NO
11991-1	SS-1 (Surface Sample)	GROUNDWATER	OTHER: NO	200X	9/23	1000	200X		
-2	SS-2	WASTEWATER	OTHER: NO						
-3	SS-3	SLUDGE	OTHER: NO						
-4	SS-4	OIL	OTHER: NO						
-5	SS-5	SOIL	OTHER: NO						
-6	SS-6	WASTEWATER	OTHER: NO						
-7	SS-7	SLUDGE	OTHER: NO						
-8	SS-8	OIL	OTHER: NO						
-9	SS-9	SOIL	OTHER: NO						
-10	SS-10	WASTEWATER	OTHER: NO						

Phone Results: ☐ Yes ☒ No

Fast Results: ☐ Yes ☒ No

REMARKS:

Received By: [Signature] Date: 9/27/04 Time: 14:25

Relinquished By: [Signature] Date: 9/27/04 Time: 14:25

Delivered By: (Circle One) ☒ Sample Condition ☒ Intact ☐ Damaged

Sampler: UPS - Box - Other:

† Cardinal cannot accept verbal changes. Please fax written changes to (915) 673-7020.

ORDINAL LABORATORIES, INC.

2344 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-2701 Fax (915) 673-7620 (505) 365-2325 Fax (505) 383-2478

† Cardinal cannot accept verbal changes, Please fax written changes to (915) 573-7020.

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

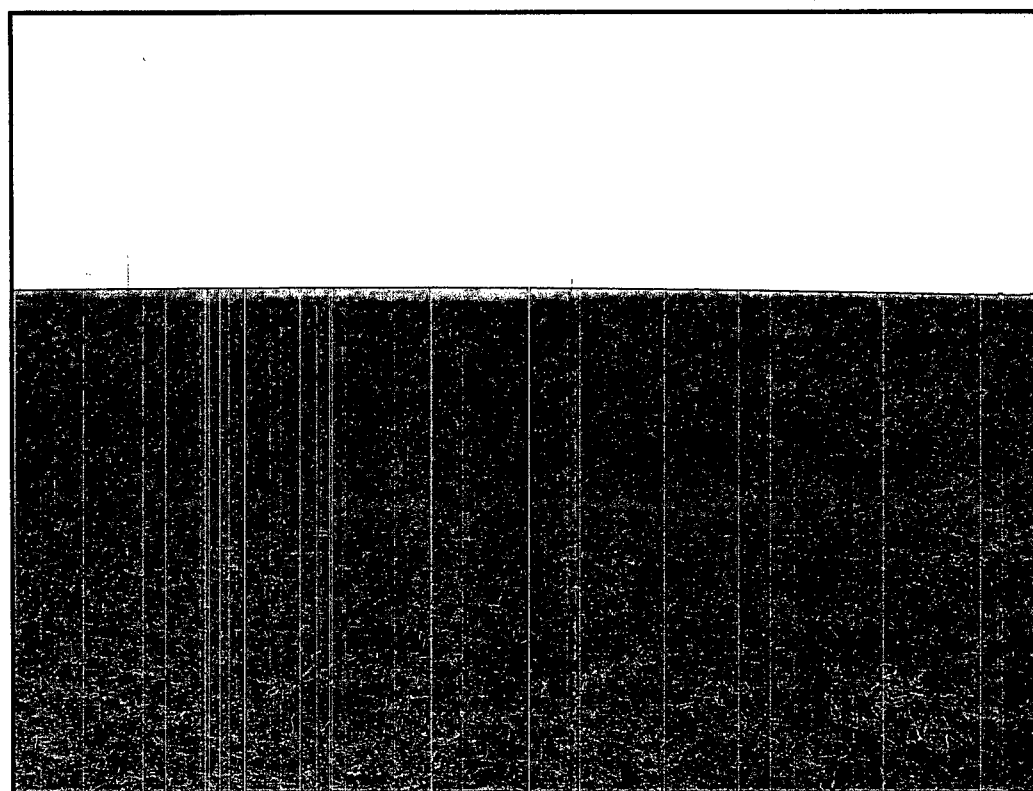
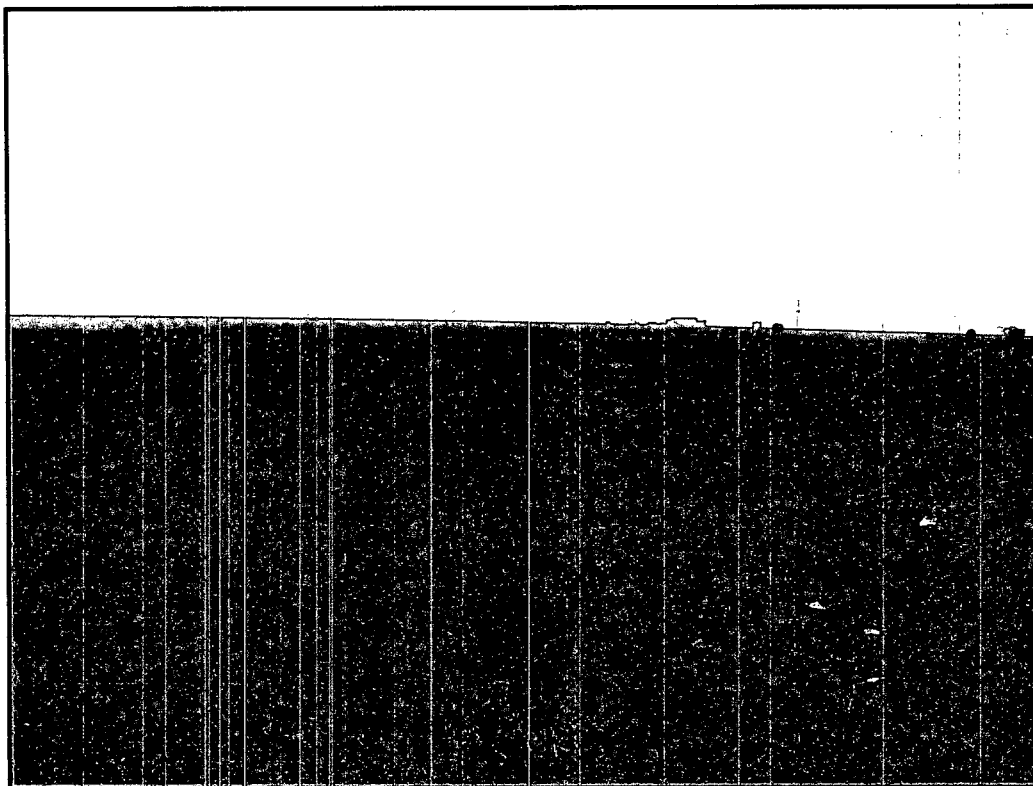
CARDINAL LABORATORIES, INC.

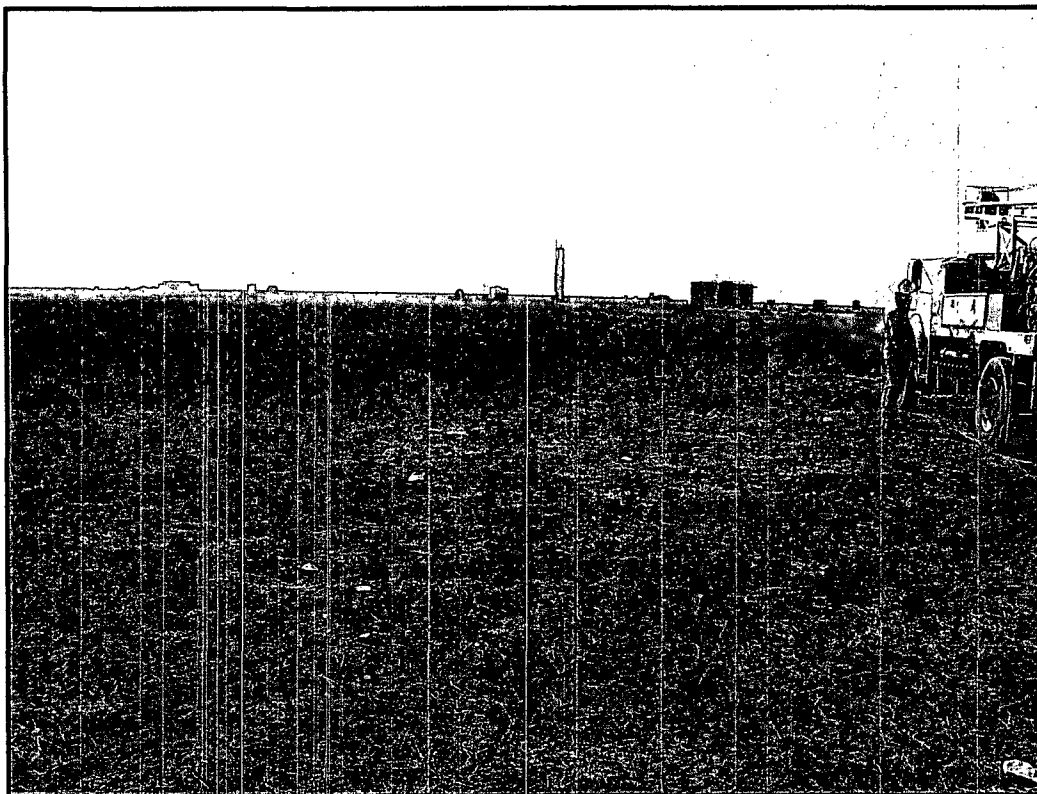
2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(815) 573-7021 Fax (815) 573-7020 (805) 393-2328 Fax (805) 393-2478

Company Name: SAFETY & ENVIRONMENTAL SOLUTIONS		P.O. #:		Company: SAME		Analysis Request	
Project Manager: Bob Allen		City: Hobbs		Attn: Brandi			
Address: 703 E. CLINTON, #102		State: NM Zip: 88240		Address:			
Phone #: (505) 397-0510 Fax #: (505) 393-4388		City:		State:			
Project #: AME-04-001 Project Owner: American Energy		Phone #:		Fax #:			
Project Name: Section 1, SW of Main Line		Matrix:		Preserv:		Sampling	
Project Location: NE corner of		Containers		Other:		Date	
Sampler Name: S. Royer		Groundwater		Acidbase		Time	
FOR LAB USE ONLY		Wastewater		Ice/Cool			
Sample I.D.		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
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		Sludge		Other			
		Soil		Other			
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		Oil		Other			
		Sludge		Other			
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		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
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		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			
		Sludge		Other			
		Soil		Other			
		Wastewater		Ice/Cool			
		Groundwater		Acidbase			
		Oil		Other			

Appendix C

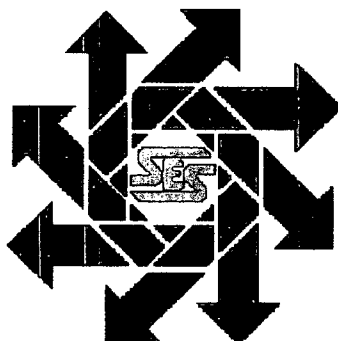
Site Photos





**Americo Energy
Denton #1 SWD Mainline
Work Plan
Unit J, Section 11, Township 15S, Range 37E
Lea County, New Mexico**

August 5, 2005



Prepared for:

**Americo Energy
10940 Old Katy Road
Houston, Texas 77043**

By:

**Safety & Environmental Solutions, Inc.
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
(505) 397-0510**

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Denton SWD #1 Mainline/Work Plan
August 5, 2005

Americo Energy
Lea County, New Mexico

I. Company Contacts

Rusty Arnold	Americo	713-984-9700	rusty.arnold@americoenergy.com
Bob Allen	SESI	505-397-0510	ballen@sesi-nm.com

II. Purpose

The purpose of this work plan is to propose a plan for the cleanup of the area identified as the Denton #1 SWD Mainline. The site is located in Unit J, Section 11, Township; 15S, Range 37E. The land is owned by Mr. Darr Angell.

III. Background

On July 25, 2004 the Denton # 1 SWD Mainline, which is a 10" red thread fiberglass pipe, breached and released approximately 10,000 barrels of salt water. The line was shut down and excavated with a backhoe. The damaged section of the line was removed and replace with new.

IV. Contaminant and Size of Area

The suspected contaminant is salt water. Approximately 10,000 barrels of salt water were released. The release covered approximately 136,317 square feet.

According to Permian Production Chemical, an analysis of the produced water, which flows through this line, indicates a chloride concentration of 53,053 ppm.

V. Vertical and Horizontal Extent of Contamination

As reported in the Delineation Report dated September 28, 2004 SESI installed six boreholes in the area. With the exception of Borehole #1 in which auger refusal was encountered at 30' all other boreholes indicate the vertical extent of contamination to be between 20 and 25 feet in some areas. Installation of the monitor well which is reported in the Monitor Well Installation Report dated November 11, 2004 indicated the contamination has not reached the groundwater.

VI. Groundwater

Monitor wells installed by SESI within ½ to ¾ of a mile of the subject site have respective depths to water of 56.04' and 67.78'. During installation of the monitor well on this site the depth to groundwater was found to be 59.1 feet.

VII. Work Performed

On February 9 thru 11 the entire area was broken up into a grid. Grab samples were retrieved from each point chloride field analysis were performed on these samples. Many of the samples were then transported Under Chain of Custody to Cardinal Laboratories of Hobbs, New Mexico. The samples were analyzed for Chlorides (EPA Method 4500-CL⁻ B). The grid as well as the analysis may be found in Appendix

On June 21 2005 SESI sampled the monitor well at the site and took surface samples 20', 100', and 200' east of the pipeline. The samples were properly preserved and transported under Chain of Custody to The results of those analyses were as follows:

Denton SWD #1 Mainline/Work Plan
August 5, 2005

Americo Energy
Lea County, New Mexico

ID	Cl ⁻
20' E. of Pipeline	16395
100' E. of Pipeline	64
200' E. of Pipeline	544

ID	Benzene	Toluene	Ethyl Benzene	Total Xylenes
MW 1	<0.002	<0.002	<0.002	<0.006

ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
MW1	74	64	11	1.55	754	228

ID	Cl (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
MW1	40	81	0	278	6.47	585

VIII. Action Plan

The installation of boreholes and the subsequent analysis of the soil extracted from them indicate that the vertical migration of the chlorides does not extend deeper than 30'. The analysis of the groundwater extracted from the monitor well installed in the mostly heavily contaminated area confirms that the chloride contamination has not reached the groundwater.

The original total kill area covered approximately 88,000 square feet. (See Site Plan) At the present time the area void of vegetation measures approximately 9,485 square feet. The remaining area has re-vegetated itself.

The area void of vegetation will be excavated to a depth between 2 and 3 feet. This soil will be transported off-site to a New Mexico Oil Conservation Division approved disposal facility. A like amount of clean soil will be transported back to the site.

The excavation will be backfilled with the clean soil, contoured to grade and reseeded.

IV. Figures & Appendices

Figure 1. - Vicinity Map

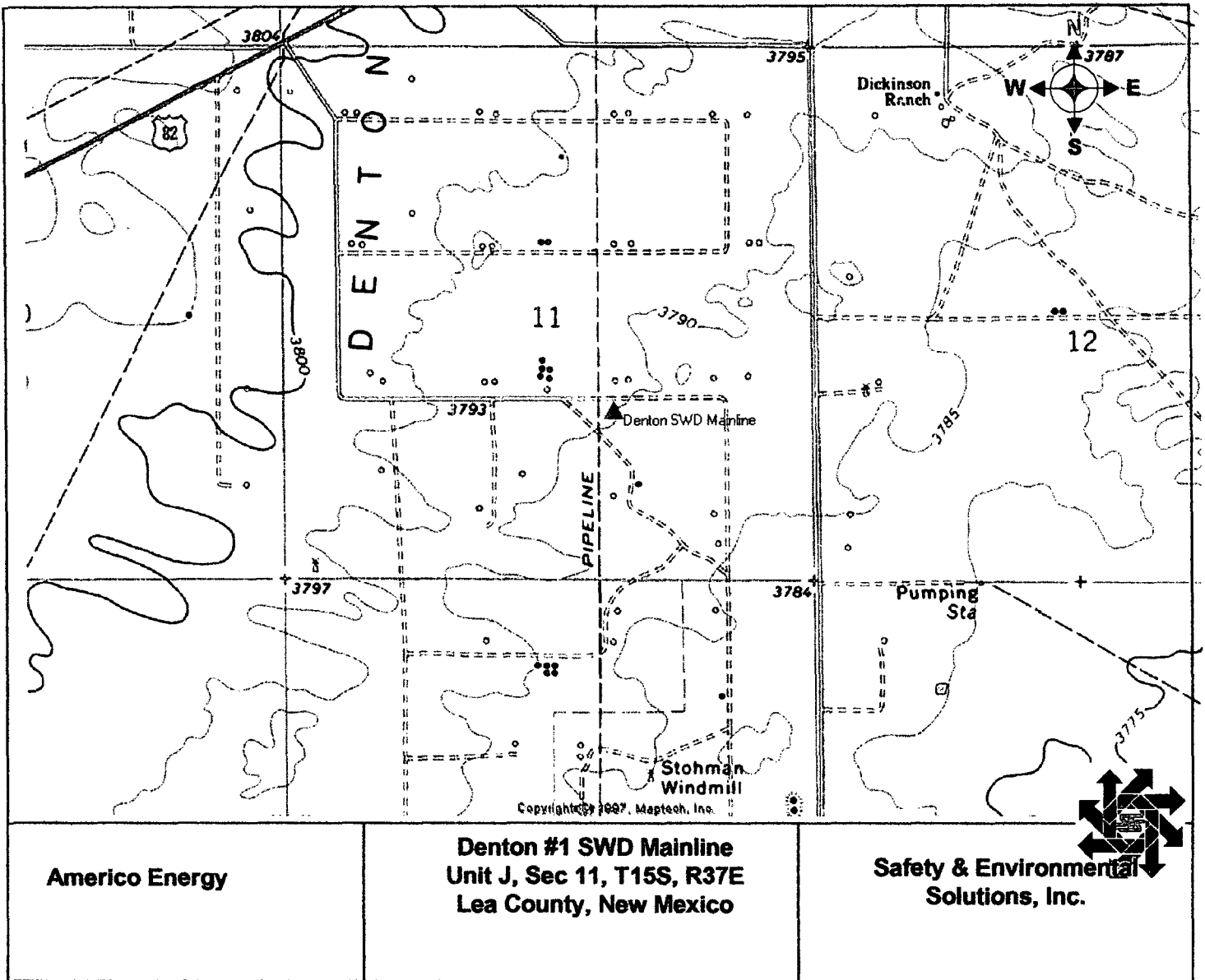
Figure 2. - Site Plan

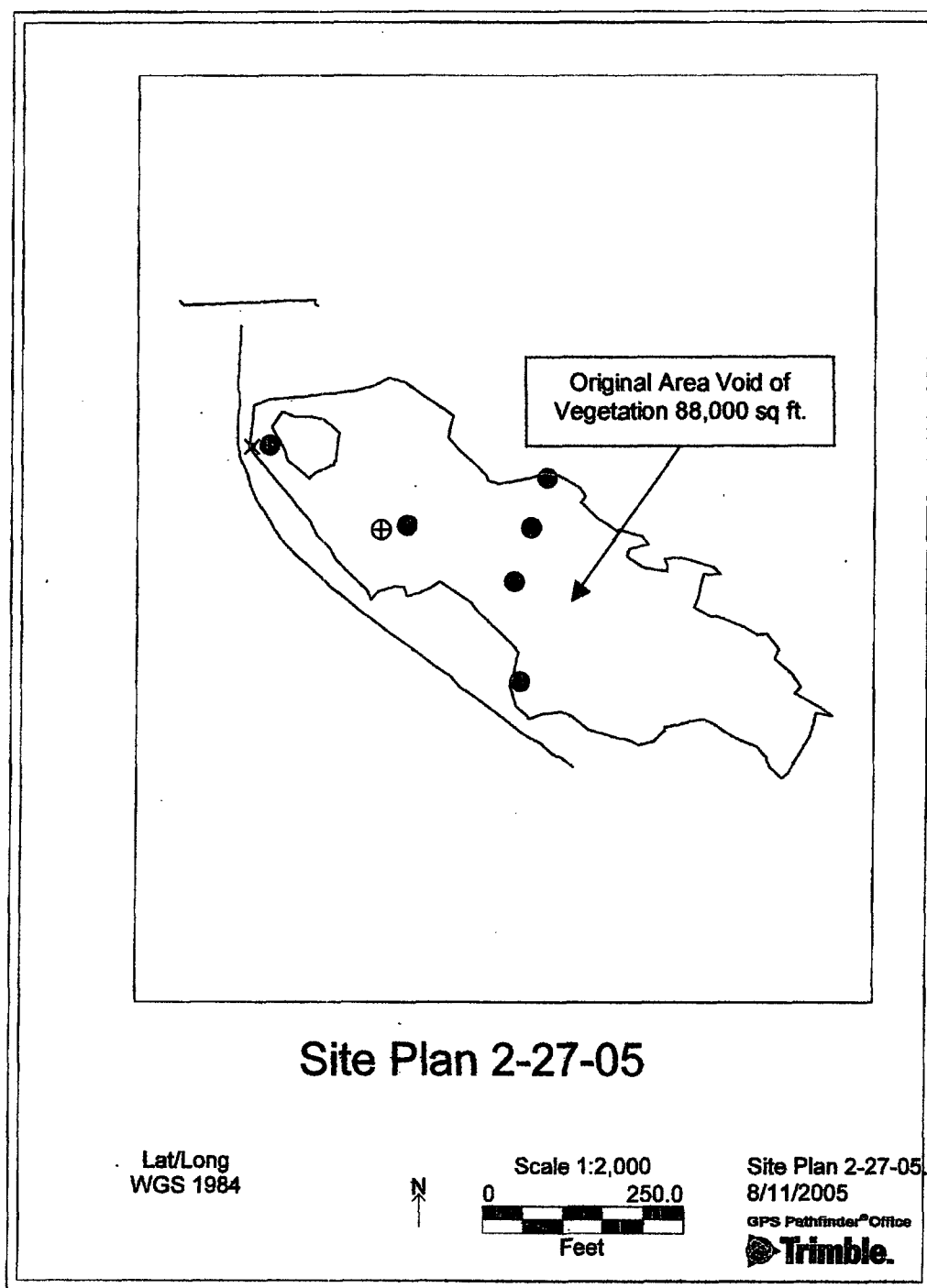
Appendix A - Grid & Analysis of Site

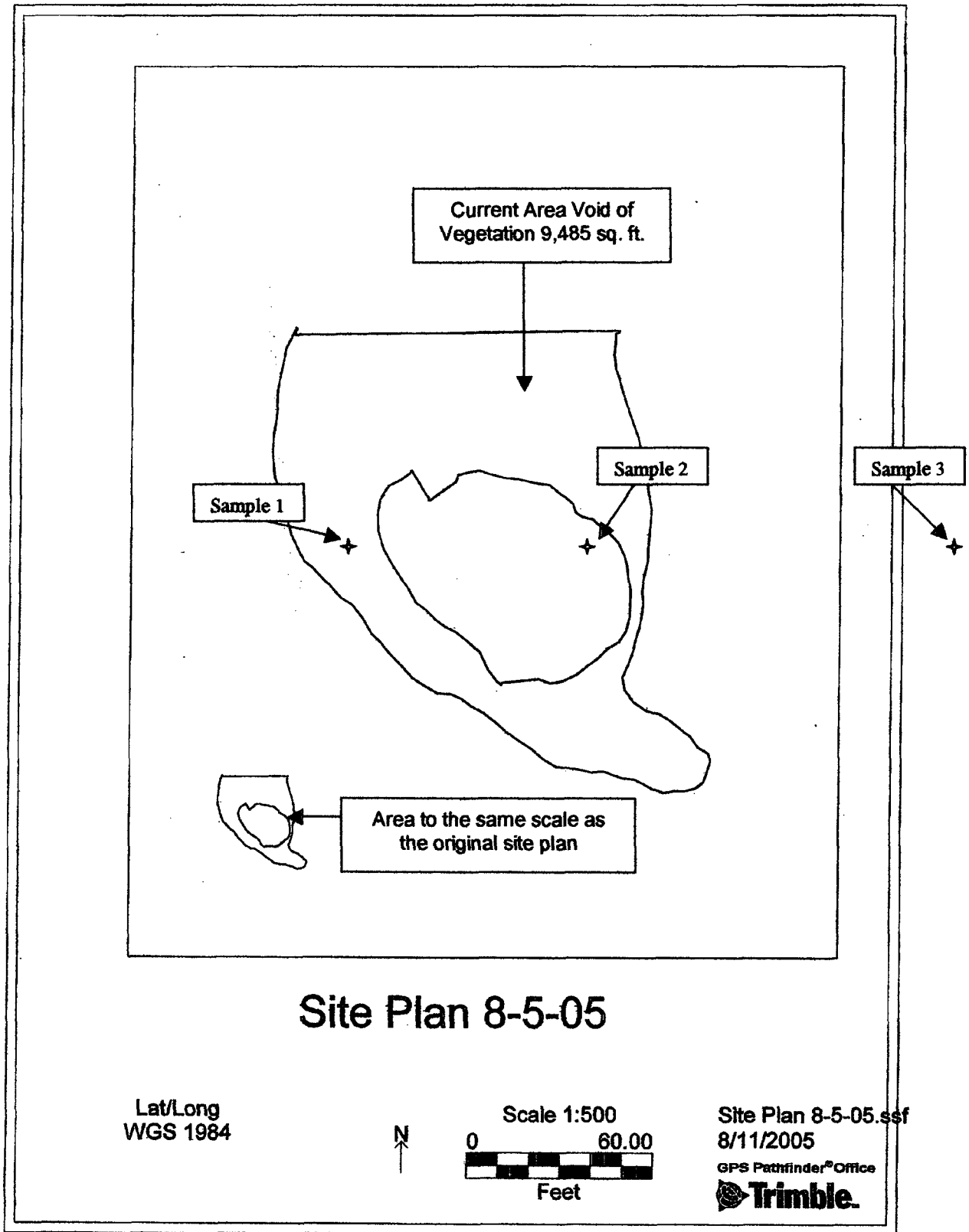
Appendix B - Analytical Results

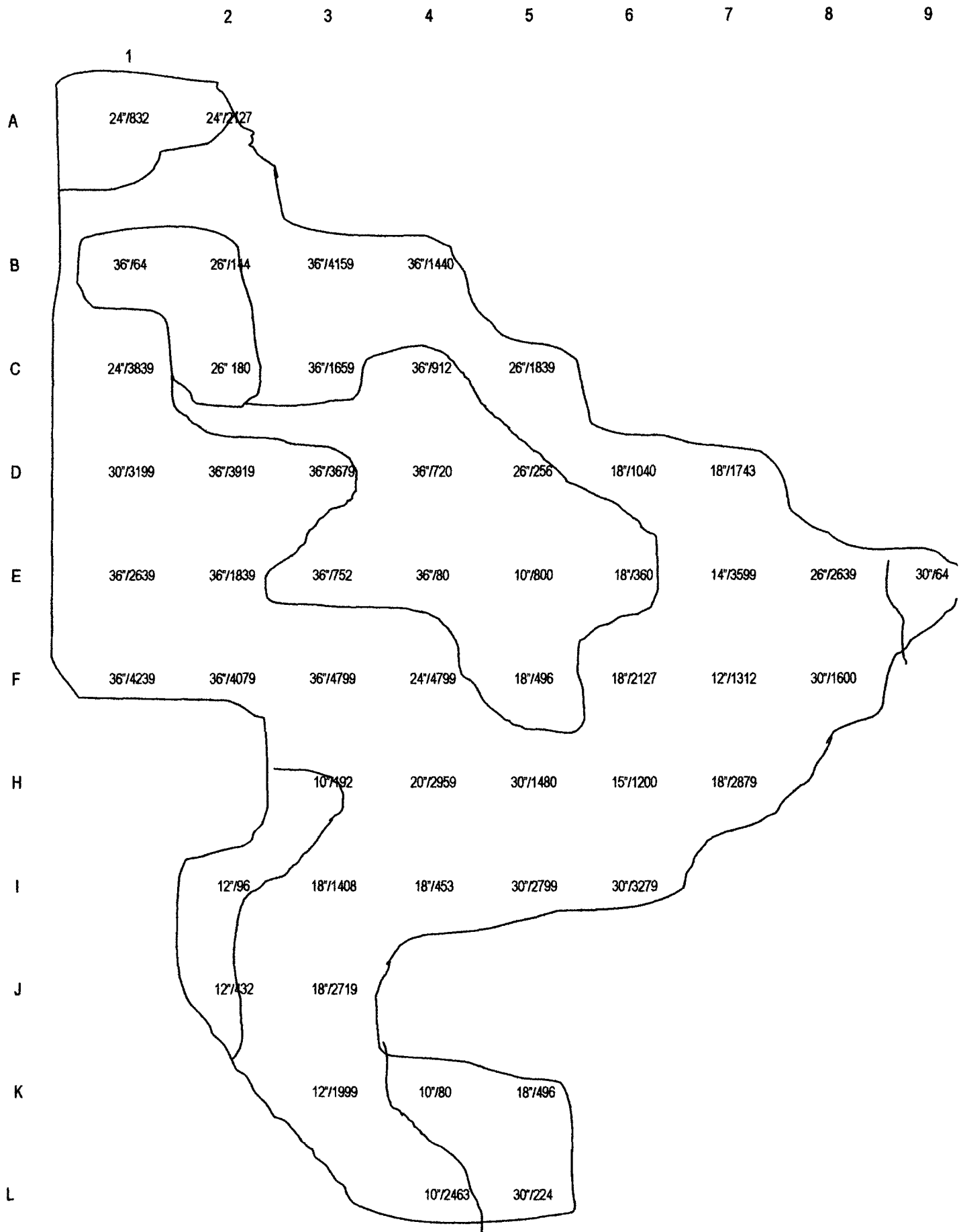
Appendix C - Site Photos

Appendix D - C-141









Location	Depth (in.)	Field Result (mg/Kg)	Lab Result (mg/Kg)		Location	Depth (in.)	Field Result (mg/Kg)	Lab Result (mg/Kg)
A1	12	336	928		E4	12	<112	--
A1	24	716	832		E4	24	<112	--
A2	18	1,064	1,360		E4	36	<112	80
A2	24	1,908	2,127		E5	10	--	800
A3	18	180	--		E6	18	--	360
A3	26	260	--		E7	14	--	3,599
					E8	18	800	--
B1	12	336	--		E8	26	--	2,639
B1	24	336	--		E9	18	<112	--
B1	36	<112	64		E9	30	--	64
B2	18	<112	--					
B2	26	<112	144		F1	12	244	--
B3	18	112	--		F1	24	312	--
B3	36	--	4,159		F1	36	--	4,239
B4	12	<112	--		F2	18	388	--
B4	24	600	--		F2	36	--	4,079
B4	36	--	1,440		F3	18	2,448	--
					F3	36	--	4,799
C1	12	2,400	--		F4	12	4,980	--
C1	24	--	3,839		F4	24	--	4,799
C2	18	<112	--		F5	18	500	496
C2	26	--	180		F6	18	--	2,127
C3	18	<112	--		F7	12	--	1,312
C3	36	--	1,659		F8	18	1,092	--
C4	18	<112	--		F8	30	--	1,600
C4	24	456	--					
C4	36	--	912		H3	10	--	192
C5	18	600	--		H4	12	624	--
C5	26	--	1,839		H4	18	3,056	--
					H4	20	--	2,959
D1	12	1,368	--		H5	18	776	--
D1	24	2,112	--		H5	30	--	1,480
D1	30	1,064	3,199		H6	15	--	1,200
D2	18	244	--		H7	18	--	2,879
D2	36	--	3,919					
D3	18	305	--		I2	12	--	96
D3	36	--	3,679		I3	18	600	1,408
D4	12	<112	--		I4	18	--	453
D4	24	<112	--		I5	12	432	--
D4	36	--	720		I5	24	2,448	--
D5	18	132	--		I5	30	--	2,799
D5	26	--	256		I6	18	548	--
D6	18	--	1,040		I6	30	--	3,279
D7	18	--	1,743					
					J2	12	--	432
E1	12	156	--		J3	18	--	2,719
E1	24	1,888	--		K3	12	--	1,999
E1	36	--	2,639		K4	10	--	80
E2	18	<112	--		K5	18	--	496
E2	36	--	1,839					
E3	18	132	--		L4	10	--	2,463
E3	36	--	752		L5	18	<112	--
					L5	30	<112	224



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388

Receiving Date: 06/22/05
Reporting Date: 06/23/05
Project Number: AME-04-001
Project Name: DENTON SWD MAINLINE
Project Location: LEA COUNTY, NM

Sampling Date: 06/21/05
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: BC

LAB NUMBER	SAMPLE ID	BENZENE (mg/L)	TOLUENE (mg/L)	ETHYL BENZENE (mg/L)	TOTAL XYLENES (mg/L)
ANALYSIS DATE		06/23/05	06/23/05	06/23/05	06/23/05
H9883-1	MW 1	<0.002	<0.002	<0.002	<0.006
Quality Control		0.103	0.091	0.098	0.300
True Value QC		0.100	0.100	0.100	0.300
% Recovery		103	91.0	97.9	100
Relative Percent Difference		5.7	0.4	3.2	5.0

METHOD: EPA SW-846 8260

Bryon A. Cook
Chemist

6/23/05
Date

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable services. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



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PHONE (505) 393-2376 • 101 E. MAHLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388Receiving Date: 06/22/05
Reporting Date: 06/27/05
Project Number: AME-04-001
Project Name: DENTON SWD MAINLINE
Project Location: LEA CO, NMSampling Date: 06/21/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
------------	-----------	--------------	--------------	--------------	-------------	-------------------------	--

ANALYSIS DATE:	06/23/05	06/23/05	06/23/05	06/23/05	06/23/05	06/23/05
H9883-1 MW 1	74	64	11	1.55	754	228
Quality Control	NR	51	46	4.96	1322	NR
True Value QC	NR	50	50	5.00	1413	NR
% Recovery	NR	102	92.0	99.2	93.6	NR
Relative Percent Difference	NR	12.0	0	0.0	0.7	NR
METHODS:	SM3500-Ca-D	3500-Mg E		8049	120.1	310.1

	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:	06/23/05	06/23/05	06/23/05	06/23/05	06/23/05	06/24/05
H9883-1 MW 1	40	81	0	278	6.47	585
Quality Control	1020	50.92	NR	985	7.00	NR
True Value QC	1000	50.00	NR	1000	7.00	NR
% Recovery	102	102	NR	98.5	100	NR
Relative Percent Difference	1.0	7.9	NR	0.9	0.4	1.1
METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Amy Hill
Chemist

6/27/05
Date

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PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388

Receiving Date: 06/22/05
Reporting Date: 06/27/05
Project Number: AME-04-001
Project Name: DENTON SWD MAINLINE
Project Location: LEA CO, NM

Analysis Date: 06/23/05
Sampling Date: 06/21/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H9883-2	1-20' E. OF PIPELINE	16395
H9883-3	2-100' E. OF PIPELINE	64
H9883-4*	3-200' E. OF PIPELINE	544
Quality Control		1020
True Value QC		1000
% Recovery		102
Relative Percent Difference		1.0

METHOD: Standard Methods 4500-Cl⁻B

Note: Analyses performed on 1:4 w:v aqueous extracts.

*Matrix interference (color) observed.

Amy Hill
Chemist

6/27/05
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. **h9883c** Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES, INC.
3144 Beauchamp Avenue, TX 75228

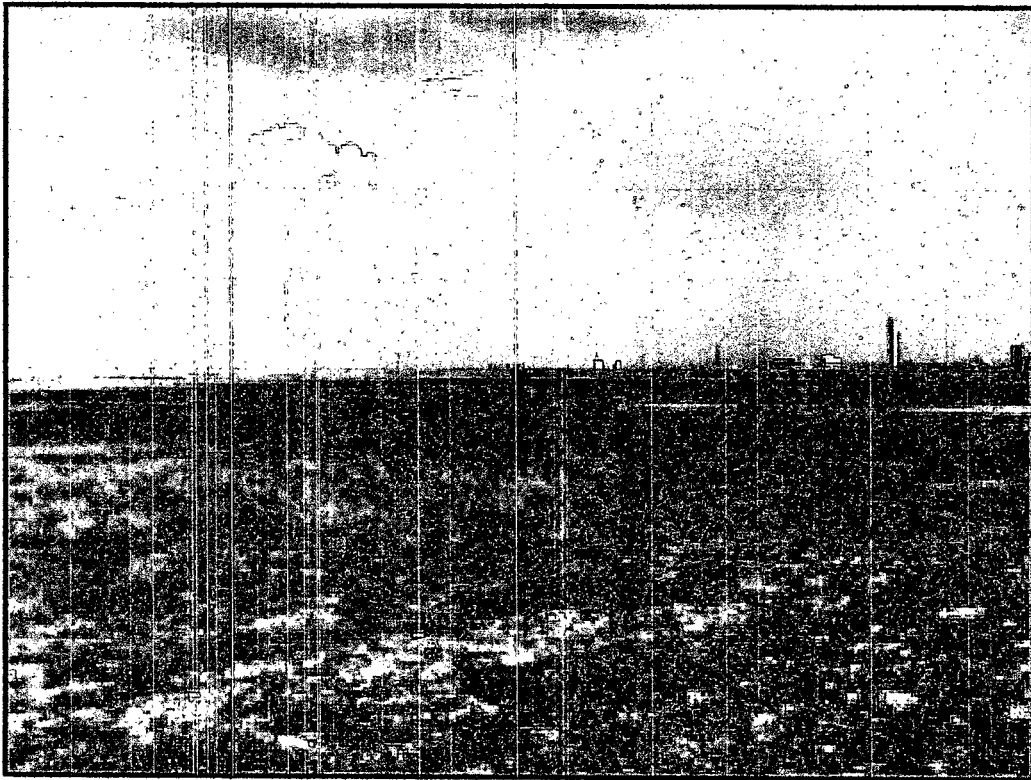
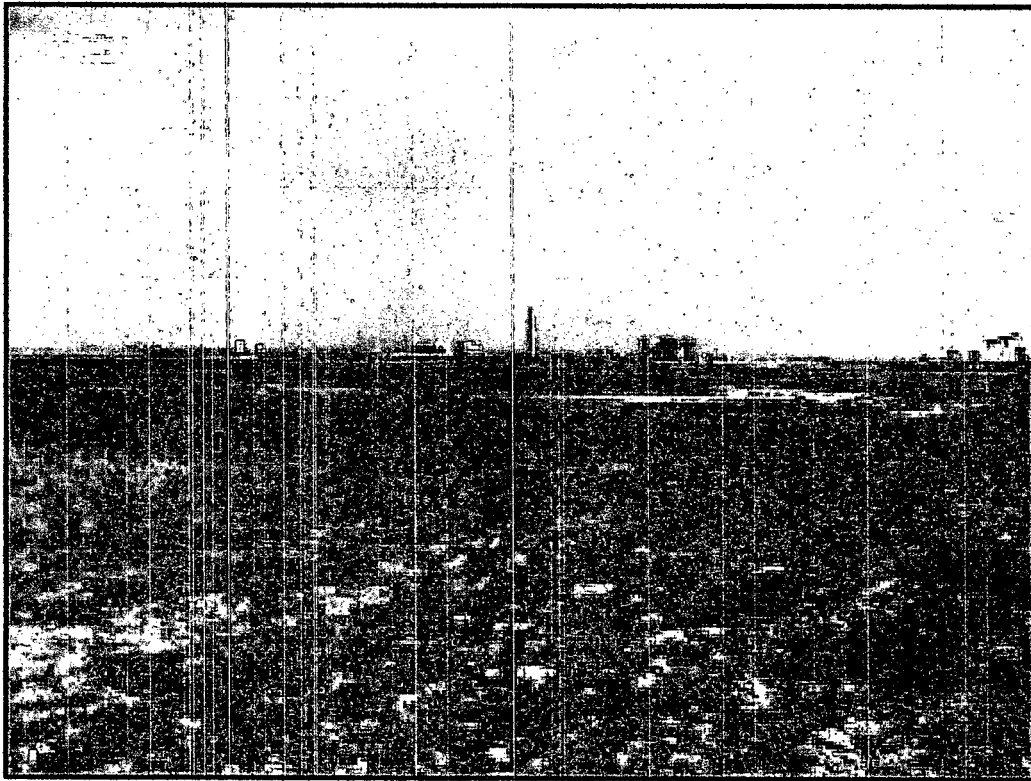
2111 Baerwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2328 Fax (505) 393-2476

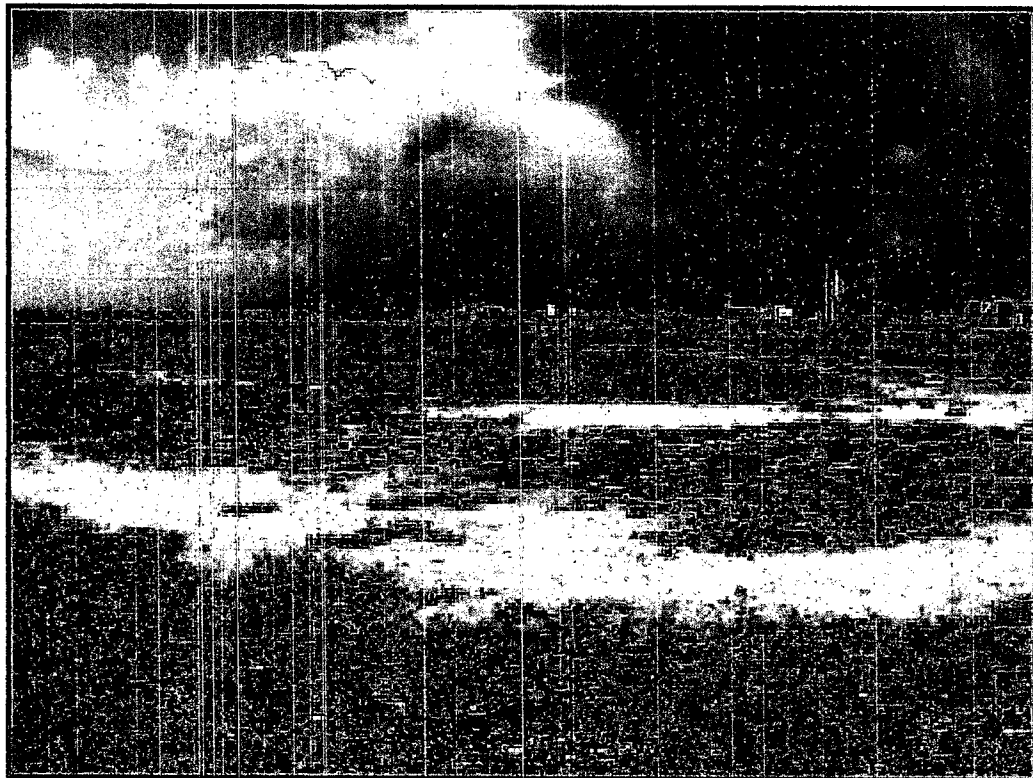
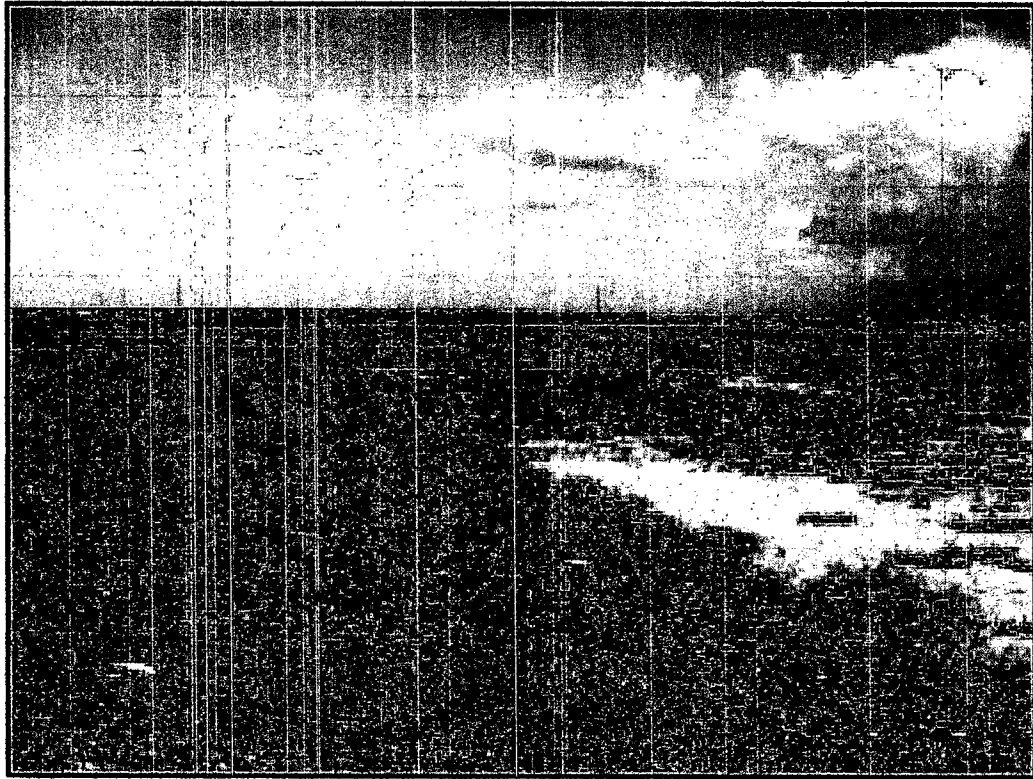
CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

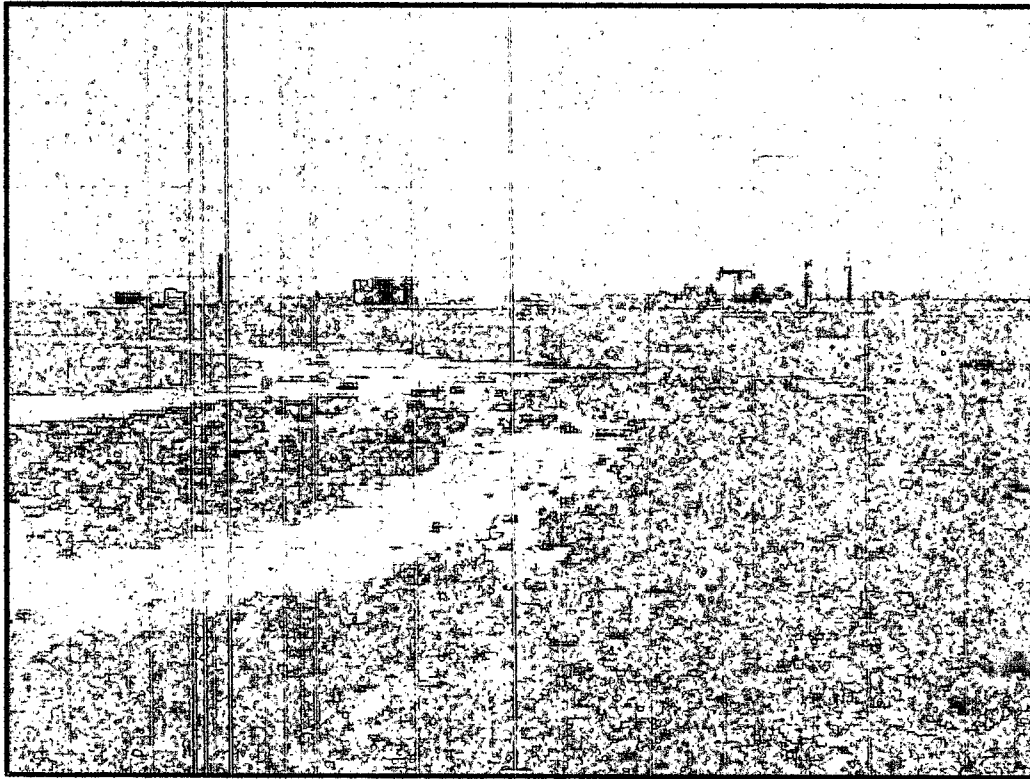
Page 7 of 11

Company Name: SAFETY & ENVIRONMENTAL SOLUTIONS Project Manager: <i>Bob McLean</i> Address: 703 E. CLINTON, #102 City: HOHRS State: NM Zip: 88240 Phone #: (505) 397-0510 Fax #: (505) 393-4388 Project #: <i>APHE-04-001</i> Project Owner: <i>Americo</i> Project Name: <i>Deaton Sued Mine</i> Project Location: <i>East Canyon NM</i> Sample Name: <i>Shore Canyon</i> FOR LAB USE ONLY										
P.O. #: Company: SAME Attn: Address: City: State: Zip: Phone #: Fax #:										
Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:				PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES
		2005 6-21 1045		1100 1100 1120						
19883-1 -2 -3 -4		1-20' EAST OF PICTURE 2-100' EAST OF PICTURE 3-200' EAST OF PICTURE		6-3 6-1 1-1 1-1		X X X X		X X X X		REMARKS: I have had this sample analyzed at a local lab and it has been found to be safe. The only problem was the 10 gal. of water. And all costs of collection, including attorney's fees.
Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:		PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES		
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Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:		PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES		
Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:		PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES		
Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:		PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES		
Lab ID. Sample ID.		MATRIX <input type="checkbox"/> (G)RAN OR (C)OMP. <input type="checkbox"/> CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE <input type="checkbox"/> OTHER:		PRESERV. <input type="checkbox"/> ACID/BASE: <input type="checkbox"/> ICE / COOL <input type="checkbox"/> OTHER:		SAMPLING DATE TIME		ANALYSIS REQUEST <input type="checkbox"/> BTEX <input type="checkbox"/> CATIONS <i>As</i> <input type="checkbox"/> ANIONS <input type="checkbox"/> CHLORIDES		
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† Cardinal cannot accept verbal changes. Please fax written changes to (615) 673-7020.







AMERICAN ENERGY RESOURCES
505-386-0930

002

p. 1

Director
1825 N. French Dr., Hobbs, NM 88201
District II
1301 W. Central Avenue, Artesia, NM 88210
District III
1600 Rio Grande Blvd., Azusa, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2021

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 to back
side of form

Release Notification and Corrective Action

Name of Company <u>AMERICAN ENERGY RESOURCES</u>		Contact <u>Steve Smith</u>	
Address <u>1825 N. French Dr., Hobbs, NM 88201</u>		Telephone No. <u>505-386-0930</u>	
Facility Name <u>WATER LINE #1</u>		Facility Type <u>SALT WATER DISCHARGE LINE</u>	
Surface Owner <u>JACK ADAMS</u>	Mineral Owner	Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	<u>11</u>	<u>155</u>	<u>395</u>	<u>UNK</u>	<u>UNK</u>	<u>UNK</u>	<u>UNK</u>	<u>LEA</u>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <u>SALT WATER</u>	Volume of Release <u>10,000</u>	Volume Recovered <u>0</u>
Source of Release <u>WATER LINE</u>	Date and Hour of Occurrence <u>Yes</u>	Date and Hour of Discovery <u>YES 11 AM</u>
Was Immediate Notice Given?	(If YES, To Whom?) <u>Steve Smith / Gary Wink</u>	
By Whom?	Date and Hour	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse	
If a Watercourse was Impacted, Describe Fully.		

Describe Cause of Problem and Remedial Action Taken. 10" RAN THROUGH FIBERGLASS PIPING, SPECY HARDWARE TAKEN OFF. SHUT DOWN LINE, ESTIMATION BY BUREAU, REMOVED BUREAU STATION AT PWS AND REPLACED BY NEW.

Describe Area Affected and Cleanup Action Taken. APPROXIMATELY 500' X 1000' PASTURE GRASS. CONTACTED LAND OWNER, HE ADVISED HE WANTED ENTIRE AREA EXCAVATED AND NEW DIRT PUT IN the GULL.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature <u>[Signature]</u>	Approved by District Supervisor:	
Printed Name: <u>STEPHEN B. SMITH</u>	Approval Date:	Expiration Date:
Title: <u>MANAGER - MINERAL RESOURCES</u>	Conditions of Approval:	
E-mail Address: <u>SMITHS@NMOCD.NM.GOV</u>	Attached <input type="checkbox"/>	
Date: <u>8/5/04</u> Phone: <u>505-386-0930</u>		

Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 204009

CONDITIONS

Operator: AMERICO ENERGY RESOURCES LLC 7575 San Felipe Houston, TX 77063	OGRID: 228051
	Action Number: 204009
	Action Type: [IM-SD] Incident File Support Doc (ENV) (IM-BNF)

CONDITIONS

Created By	Condition	Condition Date
amaxwell	Historical document review. Cross reference to 1RP-4169. Spill area was excavated, liner installed, and backfilled with new, clean soil. Part of a group of historic spills remediated by Fasken at demand of surface owner. Spill cleaned up by Fasken under 1RP-4169.	4/14/2023