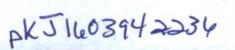
State of New Mexico Energy Minerals and Natural Resources

> Oil Conservation Division CI D

Form C-141 Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

| District IV 1220 S. St. Fran | ncis Dr., Sant | a Fe, NM 8750 | 5 | | | Fe, NM 875 | | | | | | |
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| Was a Watercourse Reached? | | | | | If YES, Volume Impacting the Watercourse. | | | | | | | |
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| | area will be | | | | ove the | e RRAL. Base | ed on the assessme | ent, the re | emediation | n work plan | will be | submitted |
| regulations a public health should their or the enviro | Il operators or the envi operations h nment. In a | are required t ronment. The nave failed to | acceptant adequately DCD accept | nd/or file certain ce of a C-141 rep investigate and | release ort by t remedi | notifications a the NMOCD n ate contaminat | knowledge and u nd perform correct parked as "Final R ion that pose a thr ye the operator of | ctive action Report" do reat to gro responsib | ons for rel bes not rel bund water bility for c | eases which ieve the ope r, surface w ompliance | a may en erator of ater, hu with any | ndanger f liability man health |
| Signature: | / | Holha | k | | | 2 | OIL CON | SERV | ATION | DIVISIO | <u>NC</u> | |
| Printed Nam | e: HOLLIE | LAMB | | | 1 | Approved by | Environmental S | pecialist: | | | 1.2 | 1996 |
| Title: REGU | JLATORY | AFFAIRS CO | ORDINA | TOR | | Approval Da | te: | E | xpiration | Date: | | Sec. 11 |
| E-mail Addr | ess: hlamb@ | helmsoil.con | n | | | Conditions o | f Approval: | | | Attached | | |
| | 04/09/2012 | | | hone: 432 682 11 | 22 | | | | | | | 5- 10 L |
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188-4163



April 19, 2012

Mr. Geoffrey Leking Environmental Engineer Specialist Oil Conservation Division, District 1 1625 North French Drive Hobbs, New Mexico 88240

Re: Assessment Work Plan for the NMR Energy, LLC., Post #3 Well Site, Unit D, Section 12, Township 14 South, Range 37 East, Lea County, New Mexico.

Mr. Leking:

Tetra Tech, Inc. (Tetra Tech) was contacted by NMR Energy, LLC., (NMR) to assess a reportedly historical impact at the Post #3 Well Site, Unit D, Section 12, Township 14 South, Range 37 East, Lea County, New Mexico (Site). The site coordinates are N 33.12546°, W 103.16134°. The site location is shown on Figures 1 and 2.

Background

The NMOCD requested NMR Energy to submit a State of New Mexico C-141 Initial Report for a historical spill that occurred under the previous operator of the facility. The initial C-141 form is enclosed in Appendix A.

Groundwater

According to the New Mexico State Engineer's Office Well Reports, one well is located in Section 1, with a reported groundwater depth of 50' below surface. In additional, wells were also noted in Section 2, 11 and 14, near the site, with depths to groundwater ranging from 46' to 100' below surface. The USGS data also showed groundwater depths ranging from 85' to 120' below surface. According to the NMOCD groundwater map and data, the depth to groundwater in this area is approximately 80' below surface. The groundwater data is shown in Appendix B.

Tetra Tech



Regulatory

A risk-based evaluation was performed for the Site in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for Remediation of Leaks, Spills and Releases, dated August 13, 1993. The guidelines require a risk-based evaluation of the site to determine recommended remedial action levels (RRAL) for benzene, toluene, ethylbenzene and xylene (collectively referred to as BTEX) and total petroleum hydrocarbons (TPH) in soil. The proposed RRAL for benzene was determined to be 10 parts per million (ppm) or milligrams per kilogram (mg/kg) and 50 ppm for total BTEX. Based upon the depth to groundwater, the proposed RRAL for TPH is 1,000 mg/kg.

If the delineation assessment determines the groundwater is less than 50' below surface, the Site will be remediated to the appropriate RRAL. In addition, Tetra Tech will collect a static water level on any water wells in the area to confirm the groundwater depth for the area, if accessible.

Assessment Work Plan

According to the NMOCD, the historical impact is located north of the well location. The proposed location is shown on Figure 3. Tetra Tech will install one backhoe trench to evaluate and define the vertical extent of subsurface impact, if any. The proposed trench will be installed approximately 60' north of the well location. If the soil impact cannot be vertically defined, a borehole will be installed using an air rotary rig. Soil samples will be collected at selected depth intervals for field screening and sampling. A head space gas survey will be performed by collecting discrete soil samples and placing a portion of the sample in a clean plastic sample bag and measuring organic vapors using an Organic Vapor Meter (OVM).

If a drilling rig is utilized, all down hole equipment (i.e., drill rods, drill bits, etc.) will thoroughly decontaminated between each borehole with a high-pressure hot water wash and rinse. Soil cuttings from drilling will be stockpiled adjacent to the well until disposal is arranged.

The samples selected for analysis will be determined from field observation and data. All samples will be collected and preserved in laboratory prepared sample containers with standard QA/QC procedures. All samples will be shipped under proper chain-of-custody control and analyzed within the standard holding times. The soil samples will be analyzed for Total Petroleum Hydrocarbon (TPH) by method 8015 DRO/GRO, Benzene, Toluene, Ethyl benzene, and Xylene (BTEX) by method EPA Method 8021B and chloride by method EPA method 300.0.



Once the analytical data has been received and review, a remediation work plan will be prepared and submitted to the NMOCD for approval. If you have any questions or comments concerning the proposed work plan, please call me at (432) 682-4559.

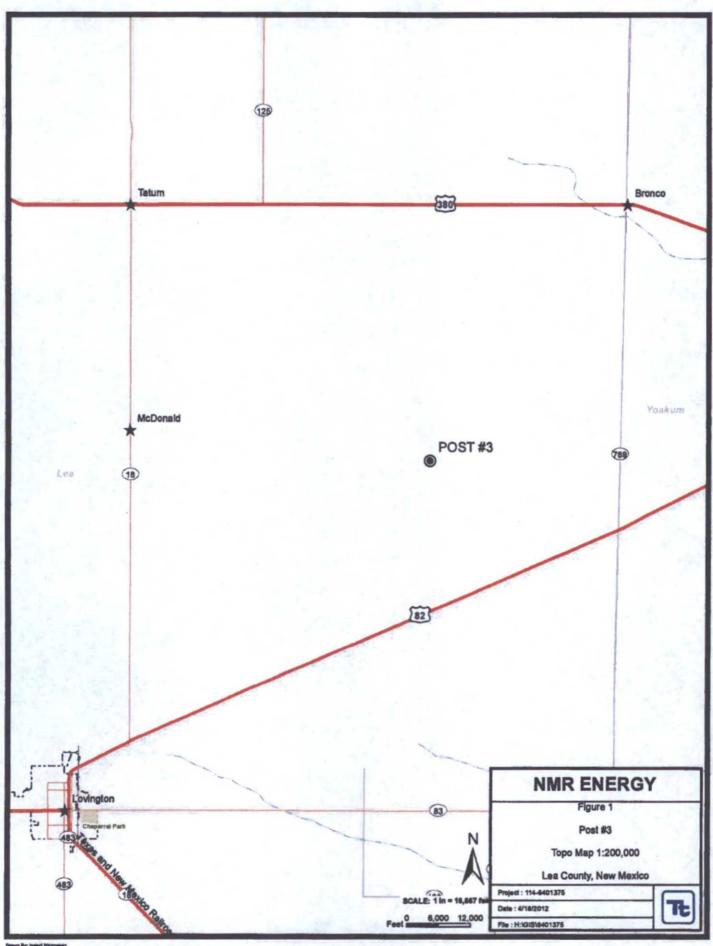
Respectfully submitted, TETRA TECH

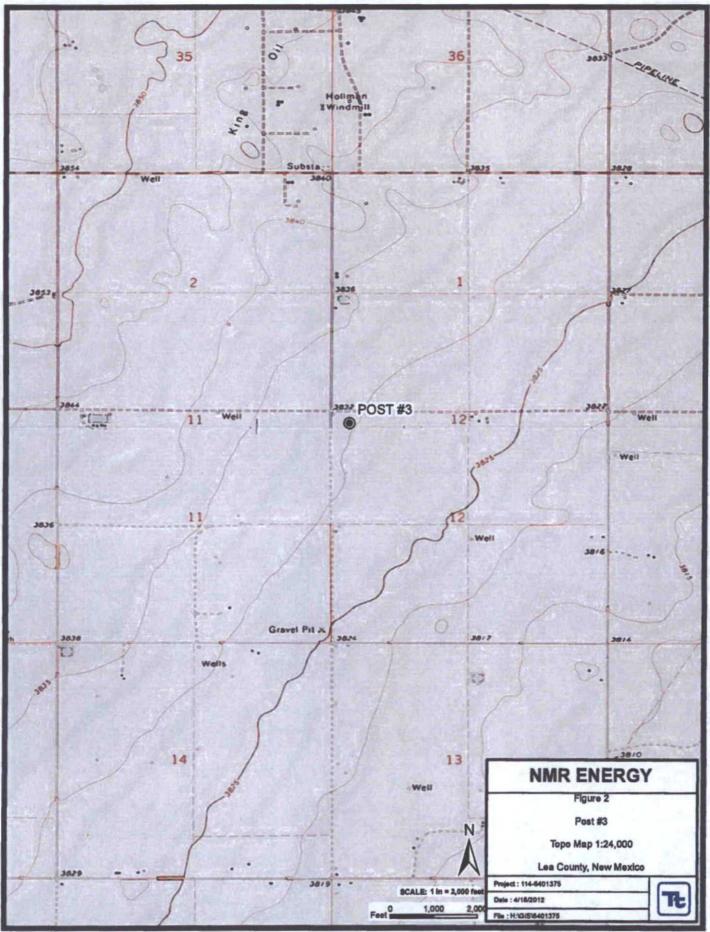
the broug

Ike Tavarez, PG Sr. Project Manager

cc: Hollie Lamb -HeLM

Figures





Inexe By: Indexi Manushija



Appendix A

Appendix B

Water Well Data Average Depth to Groundwater (ft) NMR - Post #3 Well Site Lea County, New Mexico

38 East

38 East

38 East

| | 13 | South | | 36 East | 1 | | 1 | 3 Sc | uth | | 37 | East | | | _ | 13 | So | uth |
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| 18 | 17 | 16 | 15 | 14 | 13 | 18 | 17 | | 16 | 15 | - | 14 | 13 | | 18 | 17 | 1 | 16 |
| 19 | 20 | 21 | 22 | 23 | 24 | 19 | 20 | - | 21 | 22 | | 23 | 24 | - | 19 | 20 | + | 21 |
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| 30 | 29 | 28 | 27 | 26 | 25 | 30 | 29 | | 28 | 27 | | 26 | 25 | 40 | 30 | 29 | 2 | 28 |
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88 New Mexico State Engineers Well Reports

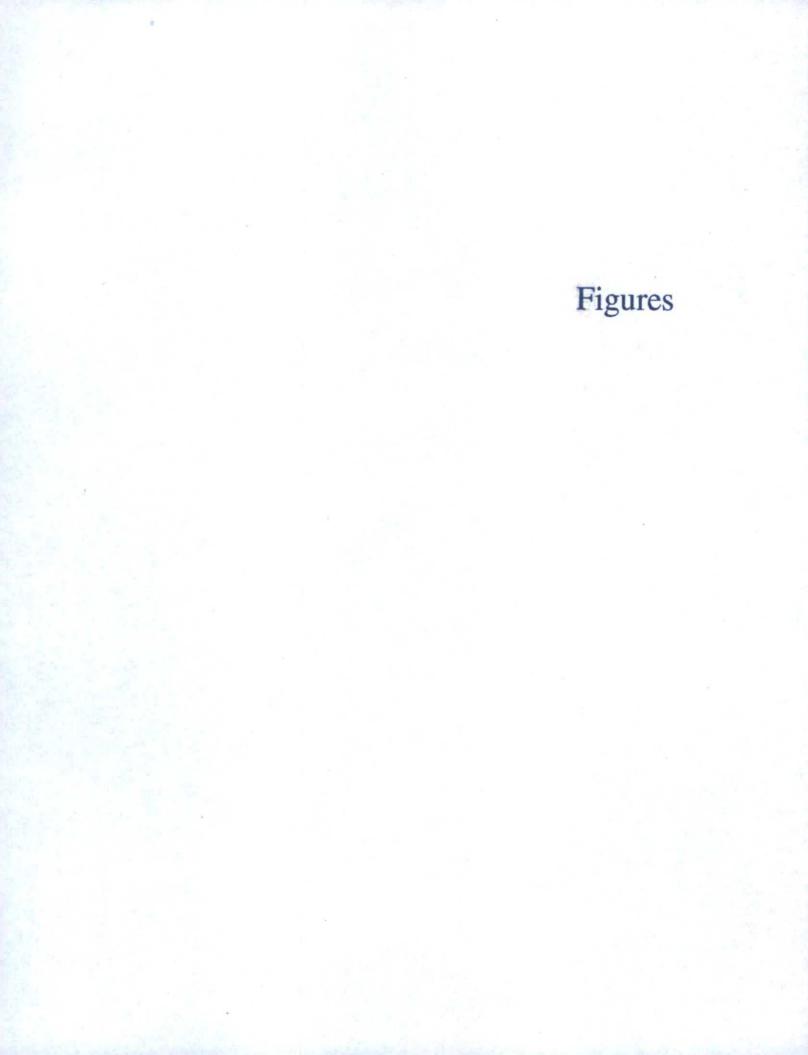
105 USGS Well Reports

90 Geology and Groundwater Conditions in Southern Lea, County, NM (Report 6) Geology and Groundwater Resources of Eddy County, NM (Report 3)

34 NMOCD - Groundwater Data

123 Tetra Tech installed temporary wells and field water level

143 NMOCD Groundwater map well location



Appendix A

Water Well Data Average Depth to Groundwater (ft) NMR - Post #3 Well Site Lea County, New Mexico

| | 13 | South | : | | |
|----|----|-------|----|----|----|
| 6 | 5 | 4 | 3 | 2 | 1 |
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14 Country

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| | 13 | South | : | 38 East |
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