NM1 - 45

GENERAL CORRESPONDENCE

YEAR(S):

2005-2004

Case 13689

Martin, Ed, EMNRD

From:

Martin, Ed, EMNRD

Sent:

Monday, December 12, 2005 1:14 PM

To:

Fesmire, Mark, EMNRD

Cc:

Davidson, Florene, EMNRD; Anderson, Roger, EMNRD

Subject:

Jay-Dan Landfarm

Attachments: Objection.tif

I have received an objection from Heidel, Samberson, etal., to the application for a landfarm. The attorneys are objecting on behalf of Dan Field (an adjacent landowner) and the City of Lovington (see attachment).

I tried to lat the parties work out their differences, but they were unable to do so.

The objection was timely filed.

Ed Martin

New Mexico Oil Conservation Division Environmental Bureau 1220 S. St. Francis Santa Fe, NM 87505

Phone: 505-476-3492 Fax: 505-476-3462

email: ed.martin@state.nm.us

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

C. GENE SAMBERSON MICHAEL T. NEWELL LEWIS C. COX, III PATRICK B. McMAHON 311 NORTH FIRST STREET POST OFFICE DRAWER 1599 LOVINGTON, NM 88260 TELEPHONE (505) 396-5303 FAX (505) 396-5305 F.L. HEIDEL (1913-1985)

NM-1-045

November 28, 2005

OIL CONSERVATION

13689

State of New Mexico
Oil Conservation Division
ATTN: MARK E. FESMIRE

P.O. Box 6429 Santa Fe, NM 87505

Re: Application For Waste Management Facility By Jay Dan Landfarm

Lovington, Lea County, New Mexico

Gentlemen:

On behalf of Dan Field and the City of Lovington, this firm hereby submits the following comments, concerns, and objections to the above-described Application wherein Jay Dan Landfarm seeks to operate a 40-acre commercial landfarm, located in the Northwest Quarter (NW/4) Southwest Quarter (SW/4) Northwest Quarter (NW/4) of Section 32, Township 15 South, Range 35 East, Lea County, New Mexico; to wit:

- 1. Dan Field owns property which would be negatively impacted by the presence of a land farm at this location. Additionally, this location is located in the rural/urban interface outside of Lovington, Lea County, New Mexico, and it will impair and impede economic development in the surrounding area, as well as, cause a devaluation in the property values to the adjacent or nearly properties.
- 2. The City of Lovington owns a right to water for its municipal water supply in the area around the proposed location. The depth of groundwater is approximately 60 feet or less. The vadose zone above the groundwater is primarily comprised of fractured caliche type formation which would provide little protection to the water supply.

Please forward all notice to this firm and advise of all scheduled matters.

Letter to State of New Mexico Oil Conservation Division ATTN: MARK E. FESMIRE November 28, 2005 Page two.

Sincerely,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By:

Patrick B. McMahon

PBM:cd

pc: Dan Field

City of Lovington, New Mexico

Affidavit of Publication

STATE OF NEW MEXICO)	
) ss.	
COUNTY OF LEA)	•
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertisting Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.	
That the notice which is hereto attached, entitled	
Legal Notice	
was published in a regular and entire issue of THE LOV-	
	· · · · · · · · · · · · · · · · · · ·
INGTON DAILY LEADER and not in any supplement there-	Jay Dan Landfarm, LLC,
of, for one (1) day , beginning with the issue of	Operator, P.O. Box 632, Lovington, NM 88260 has
October 29, 2005 and ending with the issue	
of	and operate a Rule 711 commercial landfarm facil-
And that the cost of publishing said notice is the sum of \$\frac{27.68}{\text{court Costs.}}\$ which sum has been (Paid) as	; :
Syce (Unin)	
Subscribed and sworn to before me this 2nd day of November 2005	Nm-1-
Delie Shilling	
Debbie Schilling	
Notary Public, Lea County, New Mexico	
My Commission Expires June 22, 2006	

ity located in the NW/4 SW/4 NW/4 of Section 32, Township 15 South, Range 35 East, N.M.P.M., Lea County, New Mexico. The permit application addresses the construction, operations, spill and leak prevention and monitoring procedures to be incorporated at the proposed site.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division, 1220 South Saint Frances Drive, Santa Fe, New Mexico 87505, Telephone 505-476-3440. The application may be viewed at the above address or at the Hobbs district office at 1,625 N. French Dr., Hobbs, NM 88240 between 8:00 a.m.

thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which tcomments may be submitted and any interested person may request public, hearing. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing, will be held if the director determines that there is significant public interest. Published in the Lovington

and 4:00 p.m., Monday

Leader October 29, 2005.

NM-1-045



NEW MEXICO ENERGY, MMERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

October 26, 2005

Mr. Danny Watson Jay Dan Landfarm, LLC P.O. Box 632 Lovington, NM 88260

Dear Mr. Watson:

The New Mexico Oil Conservation Division has received your Application For Waste Management Facility (OCD Form C-137) and it has been deemed administratively complete. NMOCD Rule 711 [NMAC 19.15.9.711 B. (2) (b)] states "The applicant will issue public notice in a form approved by the Division in a newspaper of general circulation in the county in which the facility is to be located". The format for this public notice is as follows:

Jay Dan Landfarm, LLC, Mr. Danny Watson, Operator, P.O. Box 632, Lovington, NM 88260 has submitted for approval an application to construct and operate a Rule 711 commercial landfarm facility located in the NW/4 SW/4 NW/4 of Section 32, Township 15 South, Range 35 East, N.M.P.M., Lea County, New Mexico. The permit application addresses the construction, operations, spill and leak prevention and monitoring procedures to be incorporated at the proposed site.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division, 1220 South Saint Frances Drive, Santa Fe, New Mexico 87505, Telephone 505-476-3440 The application may be viewed at the above address or at the Hobbs district office at 1275 N. French Dr., Hobbs, NM 88240 between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted and any interested person may request public hearing. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

Upon publication of the above notice, the public is allowed 30 days in which to submit comments on the application. Please send me the affidavit of publication you receive from the newspaper. At the end of this period, barring any requests for a hearing, the application will be acted upon by the OCD and you will be notified of its decision.

If you have any questions, please contact me at (505) 476-3492 or emartin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Edwin E. Martin Environmental Bureau

Cc:

NMOCD, Hobbs Mr. Michael Newell June 29, 2005

RECEIVED

NMOCD Environmental ATTN: Ed Martin

Box 6429

1220 S. Saint Francis Dr. Santa Fe, NM 87504

RE: Jay Don Landfarm, LLC

Mr. Martin:

JUL - 2005 OIL CONTRACTION PERSON

NM-1-045

Find attached the revised C-137 for Jay Don. We would like to move the location approximately one mile West within the same section we first applied for. All of this section is still owned by Watson and all notices are the same. The new location is Unit F of Section 32, Tws. 15 S., Rng. 35 E., Lea Co. All of the original information will be the same as far as construction, bonding and operations.

I have notified Mr. Newell, but have not heard from him.

We would like to move on with this permit, and appreciate your efforts.

Sincerely,

Eddie W. Seay, Agent

601 W. Illinois

Hobbs, NM 88242

(505)392-2236

seay04@leaco.net

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

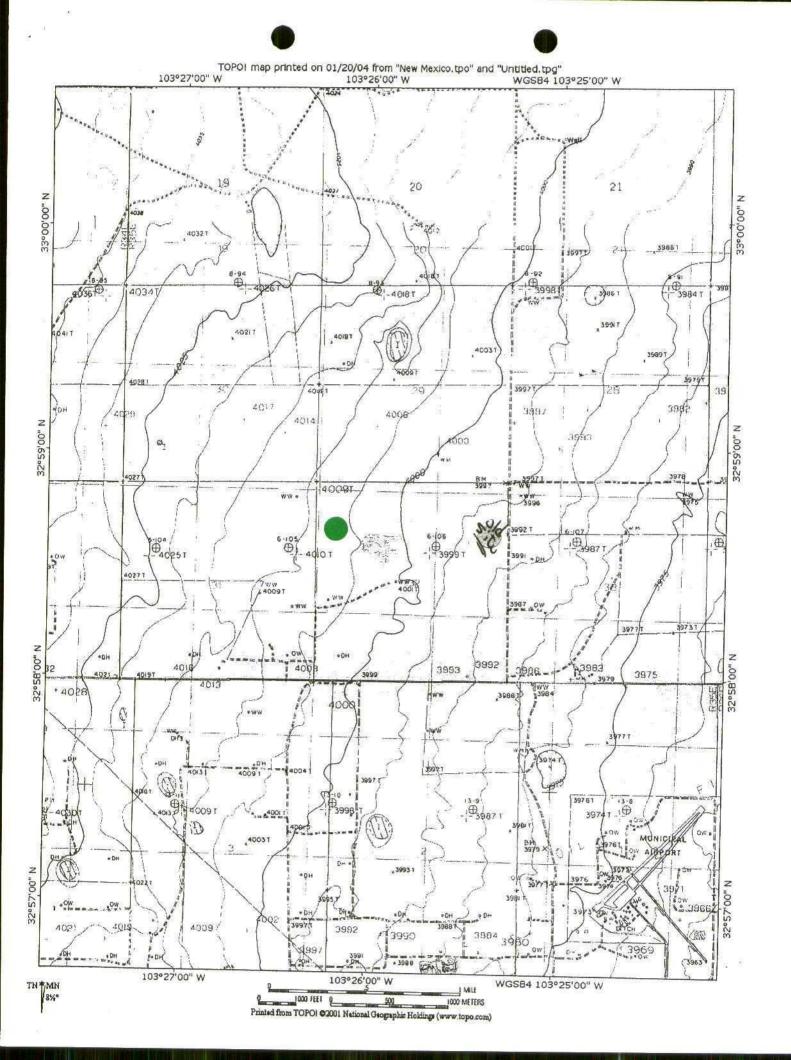
State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-137 Revised June 10, 2003

Submit Original Plus 1 Copy to Santa Fe 1 Copy Appropriate District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY (Refer to the OCD Guidelines for assistance in completing the application)

Commercial Centralized Evaporation Injection Other 1. Type: Solids/Landfarm **Treating Plant** 2. Operator: Jay Don Landfarm, LLC Box 632 Lovington. NM Address: Contact Person: Danny Watson Phone: (505)631-3482 32 Township 15 S. Submit large scale topographic map showing exact location 4. Is this a modification of an existing facility? X Yes ☐ No Change of Location 5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site. 6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility. 7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities. 8. Attach a contingency plan for reporting and clean-up for spills or releases. 9. Attach a routine inspection and maintenance plan to ensure permit compliance. 10. Attach a closure plan. 11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included. 12. Attach proof that the notice requirements of OCD Rule 711 have been met. 13. Attach a contingency plan in the event of a release of H₂S. 14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders. 15. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief. Eddie W. Seav Name: E-mail Address: seay04@leaco.net



W1777			
Yotes Pet,etal	HARD Montex Orig. 1/2)		Gulf
Vutes Out 9 · 1 · 2004	Yates Pet., etal	Hanley Pet.	HBP
Pown St. 17632	7 VA-1000	5 · 1 · 98	E-2431
	TOTAL A A. A	317 0	
1. AWP CLAL Big Bear		2.11	1 2
State Not Post C. A. Fort Est. (S) Miss. Disc.	"Barry St" State	.A.2	
30 10F 1	29	- Hanley/ 2	8-1-
(Ormil Cil) (rates Pet. etal)	Yortes Pet ator Toles Pet	TD 12000	Hanley Pet, etal
Dovid Pet John Hoper	ZATH David Pet. P39 (04200)	C.A. Fort Est.	numer el cial
John's AMIL FOG (BTA)		(5)	3.0
PO TEA T EOG (TOWNSEND	W.LOVINGTON(STR.) UNI	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	
ALMT013179	ENERGEN RES. (OPER) TO IPGEE	Bork Dallas, Tr., M.I.
K(00) (State Res. 1/2	Don Field (5)
Caswell Farms DIA II 5.01	Pure etal M.I. 3 -46 Hardin & warson inc. 15%		c133
Arrington Or.G	Energen (Wood Oil) Yates Per Big Bear ATN Res. Nates Pet, etal 426 %)	Energen Res.	Energen Energen Eng
9 24 2008, 12:21:2004, 8:26:2004 BHL Oores Happer	Res. Notes Out and 42 6	V-4065	Res Dole Rest
(Amerina)	19 (17) (42.6 76)	(Capat Corp)	Fas6 12 6 96
Globac 71 (H.E. Yates)	一个带一门 X X 4	Store Frences	
TO HASS	Energen (Mitchell Ener)	Wroise Energen,	Resi, etal etal Fic
Caswe ! Forms	oper.	1.A 11 20 95	10 17 44-97
31	STEPHEN 32-	State 1. Angt	3 - F5001 Sau
D. Arrington Devontner.	ctal 426 %) (Wood Dil) Reading & Bates Caswell To 10710	Energen Res Dito U. Perma Pant Phyl	line) FREETISM MOR
9-17-2005 EOS Res. 1"Price" Devon	Energen -6-1 Coswell	wol Phillips F4	R A Res etcil FS83
9-17-2005 E05 Res. "Price" (Aylantic) 2-10-2006 Price" (Aylantic) 2-10-2006 E0G WC DISC 4	Alve Baer Energen	a company and	111 (C.B.Gillespie Har
Watson Tolless	Humbie John 32 Boer Yates Pet.	EOG Res	MI (Hamilton Fed.) Fiel
Danglade Penn Disc	Boer "Boer" F489 2 (Adams Expl)	Fed	- F460 ISC - I
	Adolph Boer, M. I. NTO 13030 (00)	TO 12500	41 HIME 355
Caswell Forms PI4	Caswell Forms 8/2416-86	Don Field(S)	一番・葉しり
1 48 214 alar 's 1- 3 49 174 2 49 47		PG&FRes. V2	At 1 5/16 4 2 31 36 At
St. F.M. Fergeson Yates Pet, cto	America America	Energen	Energen
73 5002 Arrington W Tri Sery Honland T.M. To 11240	5t. LG-478	to Str.	1 FS45 @ E-9116 @E43
1	Amac West	CI Dalas	"Earnestine - St.")
guson Arrington Arrington 5:6:2003	West Yates Ary St. Stall VAGO (Con St. AT) (Stall VAGO (Con Stall VAGO (Con St. AT) (Con Stall VAGO (Con	E Ras. st	(Gillacore)
2002 10 6 2007 10337 10447 12-3 Daisy St.	Jook Gallagher St. Ctal Joseph Gallagher St. Ctal Joseph Gallagher St. Ctal Joseph Gallagher St. Cor Joseph Gallagher St. 2 X JJ/A 12469 Field Field Permian St. P	Z-APK F. J. Dangle	(Gillespie)
Abortical (Machris)	Gallogher St. 2-X JUA 124691 Field	SI TCH ROD, INC	State
Degroute Danrigid (3)	r. Permian's (P/8)	A-, 121	7 11 10 -
Ocean Meridian ERB 629 Panther Sup-Sup-Sup-Sup-Sup-Sup-Sup-Sup-Sup-Sup-	Vono Res Yetes Pet, eta Japa M. Sh	Energen	
0 2000 Martin 1002 Sup-3 0 2000 Martin 12001 (Messer 1 2001 Messer 1 2001 Miss.	Pot)	78 7 "0"	7.01
20016		49	8"
D.H. 13 GASTINA D.H. VIBRIN	Tales Pet Chevron		74-3-4-
Arrington Algoods) Arring Morsh	idin Sammars Stal 7 (Shelle 2)	wo) # # # /	118
	(Tidewte) (Car	() ()	Gillespie State
Ocean En Liver Arrivator QE	Arrington Tocean St.	W. LOV	1
If I TA (Shell) AHL 3.36. 2001 Hop	Gringbon (Shell) Con St. President St. Presi	BHL INGTONS	- 1
Cenard been Erer Prochute	OF BIGGO	2 (STR.) U	
E3285 4-TA Anther Adoms BHL St	Machris Was Townsend Ray E,	ENERGEN	5 · 1 · 2006
	I CHOCK INTERPTATION OF CONTROL		
(Cheyron st) Arrington	Tole et l Field St. St. 11935 Dougla	GUIT (OPER.)	€3-c 521 63
(Cheyron st) Arrington)			€3-c 521 53
Sec. TD11720 43 10120	Shell Townsend 15 Town		State State
0 all 3TA -02 -110100	Frend Haburn Dan Field St. W.	Pet.	State State

• 6/22/2005 FAYE FAYE	LKA COU		SESSOR ROPERTY LIST	Asses	smen	age 1 lear 2005
Owner # 0034687	Dist 010		VALUATI	ON REC	A P	
Non-Rend% 0			0 Central	19002	Full	Value
(HARDIN & WATSON)		- 1	17493 Land	į.		Ì
			1509 Improvements	6334	Taxab	ole Value
RT 2 BOX 43 N			<pre>0 Personal Prop</pre>	0	Exemp	tions
		- [0 Mfg Home			Ì
LOVINGTON	NM 88260		0 Livestock	6334	. Net	Taxable
Property Description		Code	Value Description	Quantity	Rate	Taxable
4 000 346 870 001		120	GRAZING	1655.69		3725
FILE 468 PG 863 0000	00232 01/07/91	130	IRRIGATED LAND	62.00		1529
SECTION-29 TOWNSHIP	-15S RANGE-35E	140	DRY FARMING LAND	86.50		577
320.00 AC BEING S2		240	FENCES			503
*1990-SHIPLEY, W W *						

4 000 346 870 002

FILE 468 PG 863 000000232 01/07/91 SECTION-30 TOWNSHIP-15S RANGE-35E 321.91 AC BEING S2 *1990-SHIPLEY, W W #33905*

4 000 346 870 004

FILE 468 PG 863 000000232 01/07/91 SECTION-31 TOWNSHIP-15S RANGE-35E 522.28 BEING ALL

*LESS 122.12 AC LOC S2 SEC 31
BEG N89D46'E 2581.8', TH
NOD14'W 495', N89D46'E 410.3', TH
N23D54'40"E 2347.9', TH N89D31'15"
E 1370.51', TH SOD11'W 2642.1',
TH S89D46'W 2738.1 TO PT BEG
EAS-S 40' CO RD
1992-REDESCRIBED

4 000 346 870 003

FILE 468 PG 863 000000232 01/07/91 SECTION-32 TOWNSHIP-15S RANGE-35E 640.00 AC ALL *1990-SHIPLEY, W W #33905*

 N/R-Values Full
 19002

 N/R-Values Taxable
 6334

 114.82 N/R-Values Net
 6334

Heidel, Samberson, Newell, Cox & McMahon ATTN: Michael Newell P.O. Drawer 1599 311 North First Lovington, NM 88260

RE: Jay Dan Landfarm

Application for Waste Management Facility

Mr. Newell:

As discussed between you, me and Danny Watson of Jay Dan Landfarm, pertaining to the location of the proposed landfarm.

Jay Dan has agreed to move the proposed location site approximately one mile West to the other side of the same section. We agree to monitor and test as required and make available all data to your clients upon request.

I have discussed this change with Ed Martin of the OCD, and he has no problem if you consent.

If this is agreeable, please let me know so I can proceed with amending the application.

Thank you for your time in this matter.

Elli W.S.

Sincerely,

Eddie W. Seay, Agent

601 W. Illinois

Hobbs, NM 88242

(505)392-2236

seay04@leaco.net

cc: Jay Dan Landfarm

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

C. GENE SAMBERSON MICHAEL T. NEWELL LEWIS C. COX, III PATRICK B. McMAHON

311 NORTH FIRST STREET **POST OFFICE DRAWER 1599** LOVINGTON, NM 88260 TELEPHONE (505) 396-5303 FAX (505) 396-5305

F.L. HEIDEL (1913-1985)

DEC 0 2 2004

November 30, 2004 M.C.

State of New Mexico Oil Conservation Division P.O. Box 6429 Santa Fe, NM 87505

> Re: Application For Waste Management Facility By Jay Dan Landfarm

Lovington, Lea County, New Mexico

Gentlemen:

On behalf of Dan Field, Branch Ranch, Wilma Fort, Toots Bissett and the City of Lovington, this firm hereby submits the following comments, concerns, and objections to the above-described Application wherein Jay Dan Landfarm seeks to operate a 40-acre commercial landfarm, located in the southeast quarter of the northeast quarter (NE/4) of Section 32, Township 15 South, Range 35 East, Lea County, New Mexico; to wit:

- 1. Dan Field, Branch Ranch, Wilma Fort and Toots Bissett have property or residences which would be negatively impacted by the presence of a land farm at this location. Additionally, this location is located in the rural/urban interface outside of Levington, Lea County, New Mexico, and it will impair and impede economic development in the surrounding area, as well as, cause a devaluation in the property values to the adjacent or nearly properties.
- 2. The City of Lovington owns a right to water for its municipal water supply in the area around the proposed location. The depth of groundwater is approximately 60 feet or less. The vadose zone above the groundwater is primarily comprised of fractured caliche type formation which would provide little protection to the water supply.

Please forward all notice to this firm and advise of all scheduled matters.

Letter to State of New Mexico Oil Conservation Division November 30, 2004 Page two.

Sincerely,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By:

MTN:cd

pc:

Dan Field Wilma Fort Toots Bissett

City of Lovington, New Mexico

Jay Dan Landfarm

District 1
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

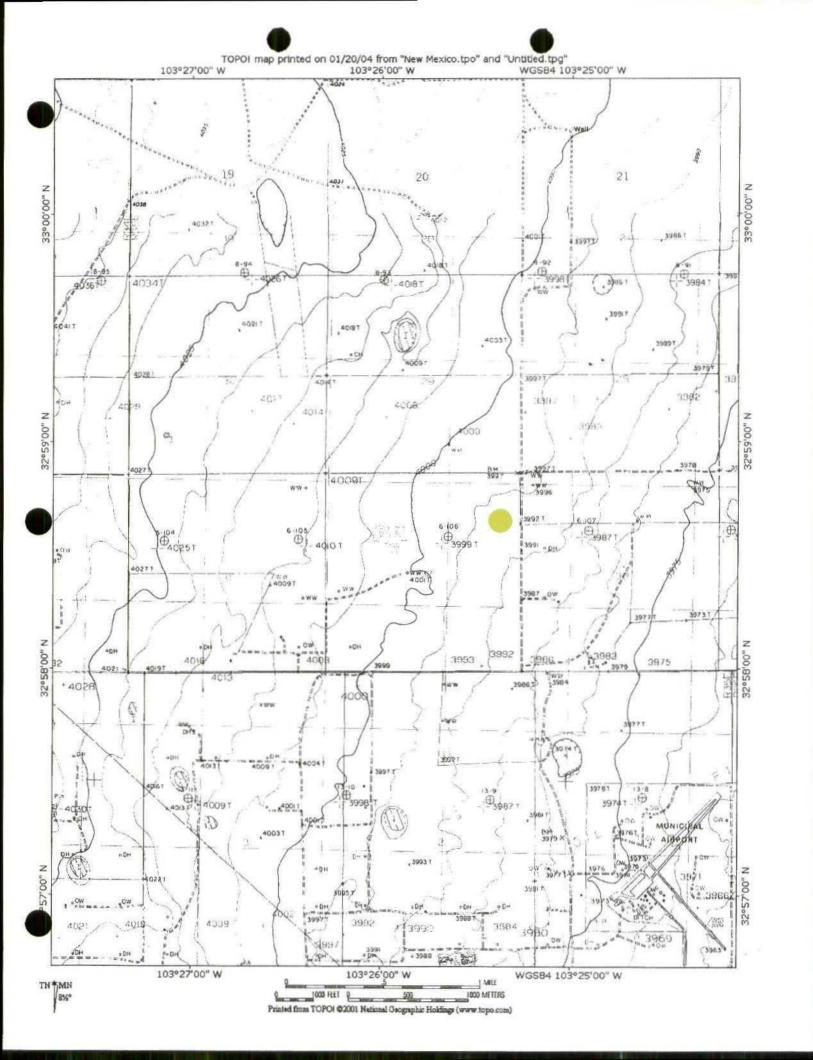
State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-137 Revised March 17, 1999

Submit Original Plus 1 Copy to Santa Fe 1 Copy Appropriate District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

(Refer to the OCD Guidelines for assistance in completing the application) NM-1-045 y Commercial Centralized Evaporation Injection Other 1. Type: X Solids/Landfarm Treating Plant 1000458 2. Operator: Jay Dan Landfarm LLC 88260 Lovington, NM Box 632 Address: Phone: (505)631-3482 Contact Person: Danny Watson Township 15 S Range 35 \mathbb{E} . 3. Location: SE ${
m NE}$ /4 Section 32 Submit large scale topographic map showing exact location 4. Is this a modification of an existing facility? Yes 5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site. 6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility. 7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities. 8. Attach a contingency plan for reporting and clean-up for spills or releases. 9. Attach a routine inspection and maintenance plan to ensure permit compliance. 10. Attach a closure plan. 11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included. 12. Attach proof that the notice requirements of OCD Rule 711 have been met. 13. Attach a contingency plan in the event of a release of H₂S. 14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders. 15. CERTIFICATION I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief. Title: Agent (505)392-2236 Name: Eddie W. Seay Date: November 16, 2004



T UNU I.			
Yotes Pet,etal	HARD Montex Orig. 1/2)		Gulf
Vulas Opt 9 · 1 · 2004	Yates Pet., etal	Hanley Pet.	HBP)
POWN ST. 176 32	VA 1000	5 · 1 · 98	E-2431
	TYPE A A A STATE AND A STORY	317 91	7
State Nig Bear			1 / / / / /
O State Nig Bear Nig To Disc.	"Barry St" State	-0.2	·
30	29	- Hanley/ 2	8
(Ormin Cal) (rates Pet. etal)	Yares Pet. Blot Toles Pet	10 12000	Hanley Pet, etal
Eog ** David Pet Constage	CAIN DOVIN FEL. P39 DA42007	C.A. Fort Est.	20
TO THE THE EOG (TOWNSEND	WI OVINGTON/STP) UNIT	(5)	100 total mess mass and 3-17
1012750 11 NTD 13179	W.LOVINGTON (STR.) UNI	N- 3555	Republic Nat'l.
\$ (00)	ENERGEN RES. (OPER	State Res. VZ	Bartk Dallas, Tr., M.I.
Caswell Forms DIA II 5.01	Hardin & watson inc. 15%	State	Dan Field (5)
Arrington OE.G		Energen Res.	Energen Energen Ene
9 24 2008 12:21:2004 8:26:2004	Energeni Mitchell Fre Big Bear ATN	19	Dag 2
BHL Ocres Happer	Res (Vates Pet., etal 42.6%)	V-4065	Fase 12 6 96
CALORA TI (Vowter)	How the House of the House	Stora Energen	Energen Energen, En-
OFBII OTH	Energen (Mitchell Ener.)	we disc. Energen,	Energen Energen, En: Resi, etal etal Ros
Caswe ! Forms	P232	A FAO II ZO 95	10 17 44.97
31	3fr bis mil _ 32 32	State 12 Regi	3 - F5001 Sauce
D According Devonther.	ctal 426 %) (Wood Dil) Reading E. Bates Caswell	to U. Permo PendPhyl	lips) Energen was
9-17-2005 EOS Res. 12-13-2004 z 19-2006 ["Price" (Atlantic) 2-10-2006 Price	Energen - Caswell	wol Phillips F44	K "A" Res, CICII FSB)
2 10 2006 Price (Atlantic)	Bive Baer Energen		11 (CB Gillespie, Han
Humble 17011552	Humbie /	Adams Moasefall	(Hamilton Fed.
Danglade Penn Disc 1 1 6 2	THOSE FARS Dates	Fed 4	STORE THE
Caswell Forms PIA	Caswell Forms 0/4-16-80	Dan Field (S)	のの後にはは、
And the Control of the Party of	THE PERSON NAMED IN COLUMN 2 I	4 1 50 W 4c 4 5/ 00	At 1 5/ 16 4 2 1 51 26 Ac
FM Fergeson Votes Put at	- Mahill Pool	Energen	Energen
	3003 Amerina HBC (M. Shearn)	1 6 12.94 96	10 1 FSIS & E-9116 644
73 50 Arrington A Tri Seri	Amag	ind 9.25.97 *1	Mil. ("Earnestine - St.")
M. H. B. 2002 to Fergeson	#Yafe	FERT NED. ST	A + 1
guson Arrington Arrington Fergeson 5 5 2003 5 5 2003 700	West Yates Field Yates Gallagher St. Com Scilar VA 60 Fish Gallagher St. Com Scilar VA 60 Fish Gallagher St. 2 2 1 1 / A 1 2 4 5 9 Field F	HBC I	(Gillespie)
Degraum (Machris)	ago Amering 2 Y BHL (FIS)	ZAPK F. J. Dangla	STE DISC
Degrauff Dan Field (S)	FIGO (PIO)	A- TCH ACT, INC	
	Permian's Yates Pet etal AM M. Sh	earn Energen	Energen.
10-2000 Martin 22 (Mesa)	HBC VA BOX Field St." LG	E. 9050	7:01 04 etdl 28
2001 Martin		49	B 381
D.H. VIBON	oci shell hates Pet Chevron		
Arrington hieron Arring Morsi	PODD 117 STATE TO THE TITLE Y	(we)	1-8
Ser 1 6-12-98 Day Food (Ser "Nike	(Tidewtr.) Hec	\ #3 /	Gillespie State
	G Zing Shell 3 Conner	W. LOV-	100
	Sigs Taring	INGTONS (STR.) UT	_ , ,
E3285 4-TA Ponther Advantage Adams Field BHL Frington	Machas Lands Page 1 Will	Alma ENERGEN	5 . 1 . 2006
The same (Senter Oil) Freid Bit St	Machins Division Townsend Ray E. Townsend Ray	Guir (OPER.)	1 1/ 7240
JO12250 181 991 M	Mourn 429. 2001 Field St. 18 11935 Dougla	State • # 4	€3-c 521 63
CI 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Sheff) Townsend Town	Pet.	State State
	Pand Hilburn St. 4 St. 4	-A , 5/0/e	
(a) Matadar Put Yotes Petatel	Daylett Koch E. Runnels TT	226 d! Charma	nko!
- Sectional tax 1 17 ax 2 - 1 ax 1	man mes disease 17 ast	THE RESERVED	And the second s

2) Jay Dan Landfarm, LLC Danny Watson

- 3) SE 1/4 of the NE 1/4 of Section 32, Tws. 15 S., Range 35 E., Lea Co., NM a 40 acre tract
- 4) No
- 5) Attachment Landowners of Record within 1 mile.
- 6) The 40 acre proposed site will be operated according to OCD guidelines as set forth in the permit.
 - a) The entire facility will be fenced with 4 strain barbed wire.
 - b) A 100 ft. buffer zone will be maintained around the facility.
 - c) Berms will be installed around the site to direct runoff and run-on of rainwater. These berms will be constructed 3 ft. wide x 2 ft. high, this should control and contain any moisture from a 100 yr. flood. Also, water will not be allowed to pond. Any excess rain will be vacuumed up and taken to an approved disposal.
 - d) All accesses and gates will be locked at all times.
 - e) Soils will only be allowed when landfarm personnel are on location and only with proper documentation.
 - f) The permit area is located approximately 1/2 mile North of county road 83, West of the city of Lovington, NM. There are no pipelines running through the property, only an electric line on the extreme North end.
 - g) A sign will be posted at entrance and will detail all the OCD requirements, phone, permit no., name, etc.
- 7) Diagram within.
- 8) Jay Dan Landfarm will adhere to OCD Rule 116.
 - a) Report any accidental discharge by phone immediately.
 - b) Cleanup and/or remediate according to OCD policy.
 - c) File written reports as necessary.
- 9) Inspection and Maintenance Plan
 - a) The facility will be fenced and gates locked at all times. Personnel will be on location at all times when material is being hauled, and each load will be documented. Records of all operations will be maintained.
 - b) When and if any water accumulated on the property from rain, it will be vacuumed up and hauled to an approved OCD disposal.
 - c) Water may be added to the landfarm from time to time for dust control and to enhance remediation and will help keep any odor down, if that were to occur.
 - d) Berms will be inspected and maintained on a routine basis so as to prevent erosion, especially after rainfall or windstorm.

- e) Because a landfarm is designed to remediate contaminated soils and not transfer contaminants into underlying native soil and/or groundwater, "Treatment Zone Monitoring" will be used at the facility. The treatment zone monitoring will consist of:
 - 1) Test the background soil at the facility at a depth of 2 to 3 ft. The samples will be analyzed for TPH, BTEX, Cations/Anions and heavy metals using approved EPA methods.
 - 2) A treatment zone not to exceed 3 ft. beneath the landfarm will be monitored. Samples will be taken from each cell on a quarterly schedule and analyzed for BTEX and TPH and for BTEX, TPH, Cations/Anions and heavy metals annually. All Sample holes will be filled with an impermeable material such as cement or bentonite. All test results will be submitted to the OCD in Santa Fe.
 - 3) Only exempt oil and gas waste will be accepted at the landfarm unless special approval by OCD. The material accepted will have documentation as to where, what company, who delivered it and signed by an authorized company person. The material will be hauled in by truck, spread in 6 in. lifts and disked every other week.
 - 4) A new lift may be added only after testing and approval from OCD.
- 10) Closure Plan: once Jay Dan has stopped operations, it is estimated that it will take approximately two years to finish remediating what soils are left in the landfarm. We will continue to disk, test, and monitor until facility meets with OCD guidelines. After all criteria is met, the area will be leveled, contoured and seeded.

Closure cost for this two year period is as follows: (Estimating that there will be 8-five acre cells in use at time of closure)

Analytical tests for 2 years	
BTEX - 8 quarters - \$40.00 x 8	\$ 2,560
TPH - 8 quarters - \$50.00 x 8	\$ 3,200
Metals - 2 years - \$200.00 x 8	\$ 3,200
Cations/Anions - 2 years - \$100.00 x 4	\$ 800
TOTAL	\$ 9,760

Quarterly sampling, time and labor for 8 cells
Labor at \$50.00 per hour
30 Minutes per cell
8 cells equals 2 hours per sampling event plus 1 hr. for report
3 hrs. x \$50.00 x 8 quarters

TOTAL

\$2,400

Disking for two years every two weeks

Actual disking area approximately 30 acres (roads, buffer zone, pipeline, etc.)

\$30.00 per hr. - 30 min. per acre

30 acres x 30 min. x 26 weeks 2 years = 46800 min. = 780 hrs.

780 hrs. x \$30.00 per hour

TOTAL disking & tilling

\$23,400

Freshwater as needed

\$120.00 per load

\$120 x 5 loads x 8 events in two years

TOTAL

\$ 4,800

Leveling and Contouring Landfarm

D-6 dozer with operator \$75.00 per hr.

1 Hr. per acre.

\$75 x 40 acres

TOTAL

\$ 3,000

Revegetation for 40 acres

Tractor and drill \$30.00 per hr. at 30 min. per acre, 40 acres = \$600

Seed cost & material

\$10.00 per lb. at 5 lbs. per acre x 40 acres = \$2,000

TOTAL REVEGETATION \$ 2,600

TOTAL ESTIMATED CLOSURE COST WOULD BE = \$45,960

11) Geology - Hydrology

Geographically, the site is situated in the southeastern corner of New Mexico in central Lea Co., an extension of the High Plains.

The High Plains is underlain by a hard caliche surface and is almost entirely covered by reddish brown dune sand.

The primary source of drinking water for this area is the Ogallala formation. The top of the water formation in the area is approximately 75' with the base at 150' to 175'. The Sate Engineer information is attached along with a water analysis of a nearby windmill.

- 12) Notice of requirement to offsets.
- 13) An open system such as a landfarm should not have an H2S problem. If H2S becomes a problem, proper testing and notification will be conducted.
- 14) Jay Dan will adhere to all applicable rules and regulations pertaining to this permit.

TAY Dan Landfarm

Section 32 Two 15 Rng 35

Treatment Zone 34 Land Pourn with 6 in





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

ANALYTICAL RESULTS FOR EDDIE SEAY CONSULTING ATTN: EDDIE SEAY 601 W. ILLINOIS HOBBS, NM 88242

FAX TO:

Receiving Date: 01/14/04 Reporting Date: 01/15/04

Project Number: ENERGEN/M&S

Project Name: ENERGEN BAER LEASE Project Location: LOVINGTON, NM

Sampling Date: 01/13-01/14/04 Sample Type: GROUNDWATER Sample Condition: COOL & INTACT

Sample Received By: GP

Analyzed By: AH

LAB NUMBI	ER SAMPLE ID	P-Alkalinity (mg/L)	T-Alkalinity (mg/L)	Hardness (mg/L)	Chloride (mg/L)	Sulfates (mg/L)	pH (s.u.)
ANALYSIS	DATE	01/14/04	01/14/04	01/14/04	01/14/04	01/14/04	01/14/04
H8359-1	BAER #1 WW	0	55	171	44	31	7.79
H8359-2	WATSON/BAER	0	198	233	64	53	8.07
	#2 WW						
Quality Con	itrol	NR	NR	59	980	53.65	7.00
True Value		NR	NR	50	1000	50.00	7.00
% Recovery		NR	NR	118	98.0	107	100
Relative Per	rcent Difference	NR	NR	0	3.0	1.5	0.1
METHODS:	EPA 600/4-79-02	-	-	130.2	325.3	375.4	150.1
	Standard Method	2320 B	2320 B	-	+	-	-

LAB NUMBER SAMPLE ID		Hydroxides (mg/L)	Carbonates (mg/L)	Bicarbonates (mg/L)	Conductivity (u S/cm)	TDS (mg/L)
ANALYSIS	DATE	01/14/04	01/14/04	01/14/04	01/14/04	01/14/04
H8359-1	BAER #1 WW	0	0	67	567	268
H8359-2	WATSON/BAER	0	0	241	767	430
	#2 WW					
Quality Con	itrol	NR	NR	996	1322	NR
True Value	QC	NR	NR	1000	1413	NR
% Recovery	/	NR	NR	99.6	93.6	NR
Relative Pe	rcent Difference	NR	NR	0	0.7	1.4
METHODS:	EPA 600/4-70-02				120.1	160.1

 METHODS:
 EPA 600/4-79-02
 120.1
 160.1

 Standard Method
 2320 B
 2320 B
 2320 B

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.

H8359b

New Mexico Office of the State Engineer Well Reports and Downloads

Rec	۲	r		H	멂				1								
Record Count: 4	11266	09817		03122	DB File Nbr												
4.	PRO	_ PRO	1	PRO	Use	(acre											
	ω	0		ω	Diversion Owner	e ft per annum)					Well	Owner	County:				
	ENERGEN RESOURCES CORPORATION	MITCHELL ENERGY CORPORATION		HUMBLE OIL & REFINING COMPANY	Owner	III)		WELL / SUR			Well / Surface Data Report	Owner Name: (First)	y:	NAD27 X:	_	Township: 15S	
	URCES CORPO	RGY CORPORA		REFINING C				WELL / SURFACE DATA REPORT 01/27/2004	the state of the s		а Кероп		Basin:				
	DRATION	TION		CMPANY				EPORT		Clear Form				<u> </u>]	Range: 35E	
	1.	T 0	'	00	Well 1			01/27/2			Avg	(Last)				m	
	11266	09817	03122 APPRO	03122	Well Number			2004		WATERS Menu	Avg Depth to Water Report		X.	Zone:	1	Sections: 32	
	Shallow	Shallow	Shallow	Shallow	Source	(quarters are	(quarters are				ater Report	3	Number:	≥ Se	-		
		158				bigge				Help		Non-Do		Search Radius:			
	35E 32	35E 32	35E 32	35E 32	Rng Se	at to s)=NE 3=				Wa	nestic	Suffix:	lius:	1		
	2 4 1	35E 32 1 4	3 2 4	3 2 4	5 4 4 4	biggest to smallest	1=NW 2=NE 3=SW 4=SE)				Water Column Report	Non-Domestic C Domestic 6 All	::				
					Zone	X Y are					n Repor	a All					
					×	X Y are in Feet											
					ĸ												
	13	13	13	13	UTM Zone	UTM are in											

New Mexico Office of the State Engineer Well Reports and Downloads

Township: 158	Range: 35E	Sections: 32		
NAD27 X:	Y:	Zone:	Search Radi	us:
County:	Basin:	Nun	mber:	Suffix:
Owner Name: (First)	(Last)		C Non-Dome	estic C Domestic 6 All
Well//Surface Data Rep	BANK ANNUAL CARACTER AND ANNUAL SERVICE SERVICES AND ANNUAL SERVIC	Depth to Water F	SHOWER STATE OF THE STATE OF TH	Water Column Report

AVERAGE DEPTH OF WATER REPORT 01/27/2004

(Depth Water in Feet)

 Bsn
 Tws
 Rng Sec
 Zone
 X
 Y Wells
 Min
 Max
 Avg

 L
 15S
 35E
 32
 3
 65
 70
 68

Record Count: 3

LANDOWNERS OF RECORD WITHIN 1 MILE AND NOTICE REQUIREMENT

Lea County Commissioner 100 N. Main, Suite. 4 Lovington, NM 88260

State of New Mexico Land Office 310 Old Santa Fe Trail Box 1148 Santa Fe, NM 87514-1148

Caswell Farms, Inc. 1702 Gillham Brownfield, TX 79316

Hardin & Watson, Inc. - Surface Owner Rt. 2, Box 43 N Lovington, NM 88260

Dan Field P.O. Box 1105 Lovington, NM 88260

C.H. Fort Est. (Roy P. Fort) 1006 W. Ave. J Lovington, NM 88260 November 16, 2004

Dear Landowner:

Pursuant to the rules of the NMOCD, Jay Dan Landfarm is seeking application with the New Mexico Oil Conservation Division to operate a commercial land treatment facility. The facility, a 40 acre tract of land, is located in the SE 1/4 of the NE 1/4 of Section 32, Tws. 15 S., Range 35 E., Lea Co., New Mexico. The facility is seeking to remediate RCRA exempt and characteristically non-hazardous contaminated soils associated with oil and gas production. The soils are remediated by spreading them on the ground surface in 6 in. lifts or less and periodically disking them to enhance natural remediation of the contaminants. The facility will be owned and operated by Danny Watson.

Any questions about the application may be directed to Eddie W. Seay, (505)392-2236 or 601 W. Illinois, Hobbs, NM 88242. Any protest or comments may be directed to the Oil Conservation Division, Box 6429, 1220 S. Saint Francis Dr., Santa Fe, NM 87505, (505)476-3440, within 30 days.

Thank you,

Eddie W. Seay, Agent

Feldie W Suam

U.S. Postal Service service M CERTIFIED MAIL RECEIPT U.S. Posta. (Domestic Mail Only; No Insuit nce Coverage Provided) 87 CERTIFIED MAIL RECEIPT ╼ (Domestic Mail Only; No Insurance Coverage Provided) 中日 NUTWITTIN. **C** 'n _ 0.83 UNIT STE BOOK Postage ö m UNITEDE 0.83 Certified Fee Postage 2.30 m Postmark Return Reciept Fee (Endorsement Required) Certified Fee 000 Here 1.75 2.30 Return Reciept Fee Restricted Delivery Fee (Endorsement Required) ANKCR9 1.75 CIEMADKMKCR9 7 50 Restricted Delivery Fee (Endorsement Required) 11/16204 4.88 Total Postage & Fees | \$ 1 N C 204 4.38 Total Postage & Fees | \$ Sent To Dan Field 100 Sent To State of New Mexico Land Office Street, Apt. No.; or PO Box No.:O. Box 1105 Street, 23140:Old Santa Fe Trail City, State, AP Ovington, NM 88260 or PO Box No. 1148 City, State, ZIP+4 S Form 3800, June 2002 See Reverse for Instructions Santa Fe. NM 87514-1148 PS Form 3800, June 2002 U.S. Postal Service U.S. Postal Service™ CERTIFIED MAIL RECEIPT 2 CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) 50 (Domestic Mail Only; No Insurance Coverage Provided) 40 급 88260 LOVINGTON, NH 88260 디 LOVINGTON, NM 日 HOITNE 0640 HC 88 0.83 0.83 Postage 6000 Certified Fee 2,30 Certified Fee Postma 2,30 Return Reciept Fee (Endorsement Required) Postmark Return Reciept Fee (Endorsement Required) 1.75 1.75 50]1e24(1/, KMK/ZR9 Restricted Delivery Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) મલ્યુ 70 120 4.88 Total Postage & Fees | \$ 4.88 Total Postage & Fees ᄓ Sent To Lea County Commissioner of PO Box MDOO N. Main, Suite 4 Hardin & Watson, Inc. or PO Box Rt. 2, Box 43 N City, State, 210,4. Lovington, NM 88260 city, State, Lovington, NM 88260 PS Form 3800, June 2002 U.S. Postal Service CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided) U.S. Postal Service ᆸ CERTIFIED MAIL RECEIPT 945. (Domestic Mail Only; No Insurance Coverage Provided) ď 딥 88260 OVINGTON nu BROWNFIELD. Ø THE BOOK 0.83 Postage 10640 0.83 Th Certified Fee Certified Fee 2.30 Postma Return Reciept Fee 1.75 Return Reciept Fee (Endorsement Required) 1.75 Here ZOOA KMKCR9 Restricted Delivery Fee (Endorsement Required) 50 50 Restricted Delivery Fee (Endorsement Required) /16704 7 4.88 Total Postage & Fees | \$ 11/16/04 4.88 Total Postage & Fees \$ Sent To C.H. Fort Est. Sent To Caswell Farms, Inc.
Street, Apt. No.: 702 Gillham Street, Apt Roy P. Fort or PO Box No.06 W. Ave. City, State, Zif Brownfield, TX 79316 Lovington NM 88260 See Reverse for Instructions

PS Form 3800, June 2002

See Reverse for Instructions

PS Form 3800, June 2002