

NM - 22

MONITORING REPORTS

YEAR(S):

~~Phase~~ II

July 2001



OIL CONSERVATION DIV.

01 JUL 25 PM 12:59

Thursday, July 20, 2001
Project Number: 62401466

Mrs. Martyne J. Kieling
Environmental Geologist
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**SUBJECT: Phase II Remediation
Goodwin Treating Plant
Hobbs, New Mexico**

Dear Mrs. Kieling:

Philip Environmental Services Corporation (PESC) is pleased to submit this technical proposal to New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division (NMOCD) for the additional Investigation, and Remediation of the Goodwin Treating Plant located in Lea County, near Hobbs, New Mexico. This proposal addresses the scope of work provided by NMOCD and contract number 00-521-07-151. PESC assumes this is still a valid contract and will maintain the same supplemental rates and unit rates in this contract.

PSC appreciates the opportunity to submit this proposal to NMOCD. Should NMOCD have any questions or comments, please feel free to contact us at (713) 495-3262.

Sincerely,



INDUSTRIAL OUTSOURCING
GROUP

Ron Radford
Remediation Services
Project Manager

6845 Dixie Drive
Houston, TX 77087
Tel. (713) 495-3262
Fax (713) 649-3807
Mobile (281) 413-1467
rradford@contactpsc.com

**Philip Environmental
Services Corporation**


Ron Radford
Remediation Project Manager

***Phase II Remediation
Goodwin Treating Plant***

Prepared for:

**NMOCD
1220 South St. Francis Drive
Santa Fe, NM 87505**

**Thursday, July 20, 2001
Project Number: 62401466**

Prepared by:



**Philip Environmental
Services Corporation**

6845 Dixie Drive
Houston, Texas 77087
Office (713) 4956-3262

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1. PROJECT SUMMARY

PESC has completed Phase I of the investigation and remediation at the Goodwin Treating Plant located near Hobbs, New Mexico. The remaining scope of work will be addressed in this technical proposal and will be governed by contract number 00-521-07-151.

1.1. Proposed Scope of Work

PESC will mobilize all equipment, materials, supplies and personnel to complete the site-specific project objectives. The project objectives as PESC understands are listed below:

- Complete excavation, transportation and disposal of hydrocarbon impacted soils (estimated 15,000 cubic yards)
- Complete loading, transportation, and disposal of existing hydrocarbon impacted soil stock pile (estimated 400 cubic yards)
- Backfill excavations
- Remove Treaters and associated piping, solidify, load, transportation and disposal of contents
- Complete Phase III report

2. Schedule

It is anticipated that Phase II will take approximately four weeks of field time to complete. PESC can initiate operations within 1 week of project award. The scope of work can be completed with a three-person crew working twelve hours per day, six days per week. In the event NMOCD mandates using a state owned borrow source for backfill, a five-person crew will be required.

3. Cost Estimate

PESC will perform the activities outlined in the Scope of Work on a Lump Sum, Unit Rate, and T/M basis as shown in the table below.

DESCRIPTION	UNITS	QTY	RATE	COST
<i>Mobilization/ Demobilization</i>	LS	1	\$ 5,370.00	\$ 5,370.00
<i>Excavate, Transportation and Disposal to Land farm</i>	CY	15000	\$ 25.00	\$ 375,000.00
<i>Load, Transportation and Disposal Existing Hydrocarbon Impacted Soil Stockpile</i>	CY	400	\$ 25.00	\$ 10,000.00
<i>Backfill (PESC)</i>	CY	18750	\$ 12.50	\$ 234,375.00
<i>Remove/ load out Treaters</i>	LS	1	\$ 3,500.00	\$ 3,500.00
<i>Phase III Report</i>	LS	1	\$ 3,300.00	\$ 3,300.00
<i>Backfill (State Borrow Source)</i>	CY	18750	\$ 17.08	TBD
TOTAL ESTIMATED COST				\$ 631,545.00

TBD - To be determined LS - Lump sum price UR - Unit Rate TM - Time and Materials

In preparing the cost estimate for the project, the following assumptions have been made:

- NMOCD will provide access authorization to the site.
- The scope of work can be completed in level D PPE.
- There are no specific compaction requirements
- PESC assumes that the New Mexico One Call System will identify all active gas, electric and other utilities located within the project area
- This proposal shall become part of the contract for services to be provided
- PESC will give a credit for existing on site backfill (800 to 1000 cy)
- PESC will not assume ownership or liability for special or hazardous waste encountered on the project

PESC will provide the services described in the Scope of Work on a lump sum, unit rate and time and materials basis. Invoices will be submitted on a percent-complete basis or at the end of PSC's monthly invoice cycle, or at our discretion. Should conditions be encountered that change the Scope of Work or level of effort necessary to meet project objectives, NMOCD will be notified as soon as practical. No additional work beyond the proposed scope will be

performed without EM's prior written approval in accordance with a mutually acceptable and executed Change Order. This cost estimate and technical proposal is valid for thirty days.

4. Engagement Acceptance

PESC's Engagement dated Thursday, July 20, 2001 is hereby accepted and authorization is hereby granted to proceed with execution of the various tasks as requested.

NMOCD

Title

Signature / Date

Tommy Breaux for
PESC – Gary Hierstein

Operations Manager
Title – Operations Manager

7/20/01
Signature / Date

Goodwin/Agua July 20, 2001

total contract amount	\$299,260.00
total amount invoiced to date	\$266,377.86
amount remaining on contract	\$32,882.14
State Land office promised	\$100,000.00
total amount that could be used	\$132,882.14

Mobilization/demobilization	\$5,370.00	\$5,370.00
Excavate, transport and dispose to landform remaining contaminated soil (tank foot prints NW corner pile/pit and east fence area).	\$375,000.00	
Load transport and disposal of existing contaminated soil stock piled.	\$10,000.00	\$10,000.00
Back fill from landfarm	\$234,375.00	\$5,000.00
Remove treaters	\$3,500.00	\$3,500.00
Phase III report	\$3,300.00	\$3,300.00
Back fill from state borrow source.	DBD	
TOTAL ESTIMATED FOR REMAINING WORK	\$631,545.00	\$27,170.00

Kielling, Martyne

From: Radford, Ron[SMTP:RRadford@ContactPSC.com]
Sent: Thursday, July 19, 2001 3:01 PM
To: 'Kielling, Martyne'
Subject: RE: goodwin

Martyne,

We are working on the estimated cost to complete the project and will have preliminary numbers tomorrow. Sorry for the delay. I will have the estimate completed sometime tomorrow and will forward it to you via e-mail/ fax/ and mail. If you require any additional information, please call me.

Thank you,

Ron Radford
Remediation Project Manager
PESC Remediation Group
Office (713) 495-3262
Fax (713) 649-3807

-----Original Message-----

From: Kielling, Martyne [mailto:MKielling@state.nm.us]
Sent: Wednesday, July 18, 2001 6:30 PM
To: 'bsmalle@aol.com'
Cc: 'rradford@contactpsc.com'
Subject: goodwin

Glen,

Here is the E-mail that I prepared last week before I had to leave for Kansas. Let me know how the cost estimate is coming along for the remainder of the work.

July 11, 2001

Glen,

The following are items that we discussed this morning, including a change of priorities and staying within our \$299,260 budget until a contract amendment can be approved by EMNRD, Department of Finance and Administration (DFA) and the Attorney Generals (AG) office.

1. Remove tanks and tank materials (Tanks 111, 114, and 118). Send material off for recycling of hydrocarbons. Please see memo faxed to you on July 11, 2001 regarding NORM status. A Form C-117 has been completed for each tank listed and is at the Hobbs District office.
2. Dismantle Tank 112 remove the sludge material and thin spread to no more than 6 to 8 inches on plastic. Establish a survey grid that will adequately cover the material. Samples taken at grid node should be removed to an area of background for recording the uR/hr of that sample. Material that exceeds 50 uR/hr should be segregated into a container to be sampled and analyzed for Radium 226.
3. Stop removal of hydrocarbon contaminated soils that are stock piled on site. Stop additional excavation of hydrocarbon contaminated soils until tanks are dismantled. Resume removal of soil if current budget allows.
4. Back fill the overflow pit with clean fill on site and caliche

surrounding the outside of the fence. Install the clay barrier at a depth of approximately 20 feet BGS. Complete the back filling and mounding of overflow pit.

5. Remove fluid from south treater for reclamation. A Form C-117 has been completed for the south treater and is at the Hobbs district office.
6. Estimate the remaining costs associated with excavation and removal of contaminated soil stockpiled on site.
7. Estimate the remaining costs associated with excavation and removal of contaminated soil remaining beneath the tank footprints (estimated depth of 3 to 5 feet)
8. Estimate the remaining costs associated with excavation and removal of contaminated soil surrounding and beneath the treaters.
9. Estimate the remaining costs associated with the removal of the treaters and concrete bases.
10. Estimate the remaining costs associated with excavation and removal of the contaminated soil along the east fence line (estimated depth 3 to 5 feet)
11. Estimate the remaining costs associated removal of the buried pipe and capping of the pipe that leaves the facility site.
12. Estimate the volume and costs associated with the excavation and removal of the tank bottom pile/pit located in the northwest corner of the facility (estimated depth in excess of 12 feet deep).
13. Estimate the volume and costs associated with the backhauling and infilling of all excavations with clean soil from landfarm or caliche from state land office borrow pit.
14. Hold on the phase 3 report until further instructed.

As soon as I have an estimate from you for the remaining work to complete the project I will begin the amendment process. I am estimating that it will take approximately 2 to 4 weeks to process.

Thank you for your adaptability and willingness to work with us on this project.

Martyne Kielling
Environmental Geologist

Kieling, Martyne

From: Bsmalle@aol.com[SMTP:Bsmalle@aol.com]
Sent: Thursday, July 19, 2001 1:48 PM
To: MKieling@state.nm.us
Cc: rradford@contactpsc.com
Subject: Re: goodwin

Got your E-mail on the project. Should have completed all work yesterday. Once all the tanks were removed and the waste solidified, the #112 tank contents were spread and divided into 5-foot square sampling grids. Survey results revealed that all material was below the action levels. The results were logged and documented for the eventual phase 3 report. The project budget allowed for an additional 240 cubic yards of material to be landfarmed. Ron Radford is collecting the final details for invoicing the remaining budget. We will review that info. next week.

Thanks so much for your flexibility on this project. I'll talk with you soon.

Glenn Smalley
PSC
940/391-4548



South treater empty.



Clean soil pile, south treater and tank foot print area.



Northwest corner of facility



Northeast corner of facility



Contaminated soil piles and tank foot print areas.



Southeast corner of facility tank 118 foot print and east fence area.



Contaminated soil piles and north treater.



Overflow pit back filled with clean soil.



Contaminated soil tank 118 footprint and east fence line. Looking west toward well.



Tank foot print area looking North.



Contaminated soil piles covered and Well in red fencing.



Tank foot print area and contaminated soil pile.



Well looking east.

Kieling, Martyne

From: Kieling, Martyne
Sent: Wednesday, July 18, 2001 5:29 PM
To: 'bsmalle@aol.com'
Cc: 'rradford@contactpsc.com'
Subject: goodwin

Glen,

Here is the E-mail that I prepared last week before I had to leave for Kansas. Let me know how the cost estimate is coming along for the remainder of the work.

July 11, 2001

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3. Stop removal of hydrocarbon contaminated soils that are stock piled on site. Stop additional excavation of hydrocarbon contaminated soils until tanks are dismantled. Resume removal of soil if current budget allows.
4. Back fill the overflow pit with clean fill on site and caliche surrounding the outside of the fence. Install the clay barrier at a depth of approximately 20 feet BGS. Complete the back filling and mounding of overflow pit.
5. Remove fluid from south treater for reclamation. A Form C-117 has been completed for the south treater and is at the Hobbs district office.
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8. Estimate the remaining costs associated with excavation and removal of contaminated soil surrounding and beneath the treaters.
9. Estimate the remaining costs associated with the removal of the treaters and concrete

bases.

10. Estimate the remaining costs associated with excavation and removal of the contaminated soil along the east fence line (estimated depth 3 to 5 feet)
11. Estimate the remaining costs associated removal of the buried pipe and capping of the pipe that leaves the facility site.
12. Estimate the volume and costs associated with the excavation and removal of the tank bottom pile/pit located in the northwest corner of the facility (estimated depth in excess of 12 feet deep).
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14. Hold on the phase 3 report until further instructed.

As soon as I have an estimate from you for the remaining work to complete the project I will begin the amendment process. I am estimating that it will take approximately 2 to 4 weeks to process.

Thank you for you adaptability and willingness to work with us on this project.

Martyne Kieling
Environmental Geologist



South Treater



Tank 114



Tank 114 foreground.
Tank 11 and 112 in the background



Tanks 111 and 112



Tank 111



Tank 111 and 112



Contaminated soil beneath tanks



Contaminated soil beneath tanks



Contaminated soil beneath tanks

Vendor Registrations By Category



Registration Number	Registration Name	Issuance Date	Expiration Date
346 - 9N	Connie L. Smith Cornerstone Environmental Resources 2997 LBJ Freeway Dallas, TX 75234 (281) 937-0399	11/13/2000 Radiation Safety Training in Oil & Gas NORM	9/30/2005
367 - 9N	Mitchell W. Davis NORM Decon Services, LLC 1910 North Big Spring Street Midland, TX 79705 (915) 682-4559	11/8/2000 Radiation Safety Training in Oil & Gas NORM	11/30/2005
433 - 9N	Dee Whatley Safety & Environmental Solutions, Inc. P.O. Box 1613 Hobbs, NM 88240 (505) 397-0510	 Radiation Safety Training in Oil & Gas NORM	10/31/2002
434 - 9N	James R. Allen Safety & Environmental Solutions, Inc. P.O. Box 1613 Hobbs, NM 88240 (505) 397-0510	 Radiation Safety Training in Oil & Gas NORM	10/31/2002
435 - 9N	Dyke A. Browning Compliance Services 1220 N. Grimes Hobbs, NM 88240 (505) 391-7797	12/16/1999 Radiation Safety Training in Oil & Gas NORM	10/31/2002
471 - 9N	Robert M. O'Donel Suntrac Services 1818 East Main Street League City, TX 77573 (713) 338-2133	6/10/1998 Radiation Safety Training in Oil & Gas NORM	6/9/2003
478 - 9N	Curtis R. Bradburry Suntrac Services, Inc. 1818 East Main Street League City, TX 77573 (713) 338-2133	6/16/1998 Radiation Safety Training in Oil & Gas NORM	6/16/2003
482 - 9N	F. Wesley Root Rice Operating Co. 122 W. Taylor Hobbs, NM 88240 (505) 393-9174	6/17/1998 Radiation Safety Training in Oil & Gas NORM	6/17/2003



Vendor Registrations By Category



Registration Number	Registration Name	Issuance Date	Expiration Date
483 - 9N	John L. Moody, Jr. Rice Operating Co. 122 W. Taylor Hobbs, NM 88240 (505) 393-9174	6/17/1998 Radiation Safety Training in Oil & Gas NORM	6/17/2003
484 - 9N	Ronald Anderson Rice Operating Co. 122 W. Taylor Hobbs, NM 88240 (505) 393-9174	6/17/1998 Radiation Safety Training in Oil & Gas NORM	6/17/2003
506 - 9N	Peter Gray, PhD Peter Gray and Associates PO Box 470932 Tulsa, OK 74147 (918) 492-5250	10/8/1998 Radiation Safety Training in Oil & Gas NORM	10/31/2003
538 - 9N	American Radiation Services, Inc. American Radiation Services, Inc. 1726 Wooddale Court Baton Rouge, LA 70806 (225) 927-9935	3/30/1999 Radiation Safety Training in Oil & Gas NORM	3/31/2004
558 - 9N	Jim R. Sharp Sharp Radiation Safety Services PO Box 910 Alvin, TX 77512 (281) 316-0052	8/17/1999 Radiation Safety Training in Oil & Gas NORM	8/31/2004
589 - 9N	Radiation Consultants, Inc. Radiation Consultants, Inc. PO Box 787 Deer Park, TX 77536 (281) 476-0072	7/19/2000 Radiation Safety Training in Oil & Gas NORM	7/31/2005
593 - 9N	David R. Norman NORM-Rad Services 810 Brazos Street Graham, TX 76450 (940) 549-6578	7/24/2000 Radiation Safety Training in Oil & Gas NORM	7/31/2005



6N

Radiation Safety Consultant for Oil & Gas NORM. Specifically excludes all radiation safety consulting outside of Oil & Gas NORM. **Minimum 40 hours formalized instruction in radiation protection, of which a minimum of 16 hours must be on the job training covering the control of radiological contaminants specific to Oil & Gas NORM. In addition, 1 year cumulative responsibility for radiation protection specific to the handling and mitigation of Oil & Gas NORM radiological hazards.**

The consultant should have received instruction from an individual(s) with extensive credentials in radiation protection specific to Oil & Gas NORM. Instruction to include the physiological hazards of Oil & Gas NORM, and proper methods for control of NORM contaminants. Instructor(s) should possess a degree in health physics, or be certified by the American Board of Health Physicists or the National Registry of Radiation Protection Technologists.

9N

Radiation Safety Training for Oil & Gas NORM. Specifically excludes all radiation safety training outside of Oil & Gas NORM. **Minimum 40 hours formalized instruction in radiation protection specific to Oil & Gas NORM and the control of radiological contaminants. On the job training and minimum 2 years cumulative responsibility for radiation protection specific to the handling and mitigation of Oil & Gas NORM radiological hazards.**

- (1) Training shall be provided regarding the fundamentals of radiation safety including--
 - (a) Characteristics of gamma and X-ray radiation;
 - (b) Units of radiation dose and quantity of radioactivity;
 - (c) Hazards of exposure to radiation during radiographic operations, including case histories of accidents in radiography;
 - (d) Levels of radiation experienced during radiographic operations; and
 - (e) Methods of controlling radiation dose (time, distance, and shielding).
 - (f) Proper techniques for use and operation, and limitations of, the specific radiation survey instruments and personnel monitoring equipment used by the licensee or registrant.

**FAX COVER LETTER**

DATE: Thursday, July 18, 2001

PAGES: 05

TO: Martyn J. Kieling C/O Roger Anderson

FIRM: NMOCD

PHONE: (505) 476-3488

FAX: (505) 476-3462

FROM:

Ron Radford
Remediation Project Manager
PHILIP ENVIRONMENTAL SERVICES CORP.
6845 Dixie Drive
Houston, Texas 77087
Telephone: (713) 495-3229
Fax: (713) 649-3807

MESSAGE:

Martyn, please review the attached proposal and estimate for phase II of the remediation at the Goodwin Treating Plant. Call me if you have any questions.

Thank you,

Ron Radford
Remediation Project Manager

CONFIDENTIALITY CAUTION

This message is intended only for the use of the individual or entity to which it is addressed and contains information that is privileged and confidential. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communications is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address at our cost.



Thursday, July 20, 2001
Project Number: 62401466

Mrs. Martyne J. Kieling
Environmental Geologist
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

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Hobbs, New Mexico**

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PSC appreciates the opportunity to submit this proposal to NMOCD. Should NMOCD have any questions or comments, please feel free to contact us at (713) 495-3262.

Sincerely,

**Philip Environmental
Services Corporation**

A handwritten signature in black ink, appearing to be "R. Radford", written over the printed name.

Ron Radford
Remediation Project Manager

*Phase II Remediation
Goodwin Treating Plant*

Prepared for:

*NMOCD
1220 South St. Francis Drive
Santa Fe, N.M. 87505*

**Thursday, July 20, 2001
Project Number: 62401466**

Prepared by:



**Philip Environmental
Services Corporation**

**6845 Dixie Drive
Houston, Texas 77087
Office (713) 4956-3262**

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NMOCD
Phase II Goodwin Treating Plant

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TOTAL ESTIMATED COST				\$ 631,545.00

TBD - To be determined LS - Lump sum price UR - Unit Rate TM - Time and Materials

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NR/OCN
Phase II Goodwin Trading Plant

performed without EM's prior written approval in accordance with a mutually acceptable and executed Change Order. This cost estimate and technical proposal is valid for thirty days.

NMOCD
Phase II Goodwin Treating Plant

4. Engagement Acceptance

PESC's Engagement dated Thursday, July 20, 2001 is hereby accepted and authorization is hereby granted to proceed with execution of the various tasks as requested.

NMOCD

Title

Signature / Date

Tommy Breaux for

PESC - Gary Hirstein

Operations Manager

Title - Operations Manager

7/20/01

Signature / Date

* District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, 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-117 A
Revised March 17, 1999

Submit 5 Copies to
Appropriate District Office

PERMIT NO. H-23821

TANK CLEANING, SEDIMENT OIL REMOVAL, TRANSPORTATION OF MISCELLANEOUS HYDROCARBONS AND DISPOSAL PERMIT

Operator or Owner New Mexico Oil Conservation Division Address 1625 N. French Dr.

Lease or Facility Name Goodwin Treatment Facility Location E 52231 T 18S R 37E
U.L. - Sec. - Twp. - Rge.

OPERATION TO BE PERFORMED:

☐ Tank Cleaning ☐ Sediment Oil Removal ☒ Transportation of Miscellaneous Hydrocarbons

Operator or Owner Representative authorizing work New Mexico Oil Conserv. Div. Martyne Kieling
Paul Sheeley

Date Work to be Performed 7-11-01

TANK CLEANING DATA Tank Number _____ Volume _____

Tank Type _____ Volume Below Load Line _____

SEDIMENT OIL OR MISCELLANEOUS HYDROCARBON DATA

Sediment Oil from: ☐ Pit ☐ Cellar ☒ Other

MISCELLANEOUS OIL

Tank Bottoms From: ☐ Pipeline Station ☐ Crude Terminal ☐ Refinery ☒ Other*

Catchings From: ☐ Gasoline Plant ☐ Gathering Lines ☐ Salt Water Disposal System ☒ Other*

☐ Pipeline Break Oil or Spill

*Other (Explain) Heater Treater

VOLUME AND DESTINATION: Estimated Volume 260 Bbls. Field test volume of good oil 260 Bbls.
(Not required prior to Division approval)

Destination (Name and Location of treating plant or other facility) Sundance Services Inc.
P.O.B. 1737 Eunice NM 88231

DESTRUCTION OF SEDIMENT OIL BY: ☐ Burning ☐ Pit Disposal ☐ Use on Roads or firewalls ☐ Other

(Explain) (Not applicable)

Location of Destruction _____

Justification of Destruction _____

CERTIFICATION: (APPLICATION MAY BE MADE BY EITHER OF THE FOLLOWING)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Owner NM Oil Conservation Div.
By Paul Sheeley for Martyne Kieling
Title Environmental Engineering Specialist
Date 7-11-01

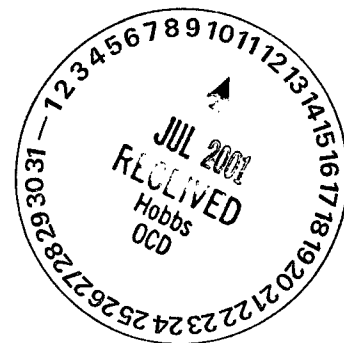
Transporter Lobo Trucking
Address POB 2914 Hobbs NM 88241
Signature Joe Velazquez
Title Truck Driver Date 7-11-01

OIL CONSERVATION DIVISION

Approved By Paul Sheeley Title Environmental Engineer Specialist Date 7-11-01

A COPY OF THIS FORM MUST BE ON LOCATION DURING TANK CLEANING, REMOVAL OF SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS, AND MUST BE PRESENTED WITH TANK BOTTOMS, SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS AT THE TREATING PLANT TO WHICH IT IS DELIVERED.

DISTRIBUTION BY OCD	
<input checked="" type="checkbox"/>	Santa Fe
<input type="checkbox"/>	File
<input type="checkbox"/>	Operator
<input type="checkbox"/>	Transporter (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

State of New Mexico
Energy Minerals and Natural Resources

Form C-117 A
Revised March 17, 1999

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

Submit 5 Copies to
Appropriate District Office

PERMIT NO. H-23822

TANK CLEANING, SEDIMENT OIL REMOVAL, TRANSPORTATION OF MISCELLANEOUS HYDROCARBONS AND DISPOSAL PERMIT

Operator or Owner NEW MEXICO OIL CONSERVATION DIVISION Address 1625 N. FRENCH DRIVE, HOBBS, NM
88240
Lease or Facility Name GOODWIN TREATING PLANT Location F-31-18-37
U.L. - Sec. - Twp. - Rge.

OPERATION TO BE PERFORMED:

☒ Tank Cleaning ☐ Sediment Oil Removal ☐ Transportation of Miscellaneous Hydrocarbons

Operator or Owner Representative authorizing work NEW MEXICO OIL CONSERVATION DIVISION (SANTA FE OFF.)

Date Work to be Performed 7/11/2001 thru 7/14/2001

TANK CLEANING DATA Tank Number OCD TANK #114 Volume 150 CUBIC YARDS

Tank Type REDWOOD TANK

Volume Below Load Line _____

SEDIMENT OIL OR MISCELLANEOUS HYDROCARBON DATA

Sediment Oil from: ☐ Pit ☐ Cellar ☒ Other

MISCELLANEOUS OIL

Tank Bottoms From: ☐ Pipeline Station ☐ Crude Terminal ☐ Refinery ☒ Other*

Catchings From: ☐ Gasoline Plant ☐ Gathering Lines ☐ Salt Water Disposal System ☐ Other*

☐ Pipeline Break Oil or Spill

*Other (Explain) _____

VOLUME AND DESTINATION:

Estimated Volume 150 Bbls. Field test volume of good oil _____ Bbls.
(Not required prior to Division approval)

Destination (Name and Location of treating plant or other facility) SUNDANCE SERVICES INC.

P.O. BOX 1737, EUNICE, NM 88231

DESTRUCTION OF SEDIMENT OIL BY:

☐ Burning ☐ Pit Disposal ☐ Use on Roads or firewalls ☐ Other

(Explain) NOT APPLICABLE

Location of Destruction _____

Justification of Destruction _____

CERTIFICATION: (APPLICATION MAY BE MADE BY EITHER OF THE FOLLOWING)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Owner NEW MEXICO OIL CONSERVATION DIV.

Transporter LOBO TRUCKING

By MARTYNE KIELING *Martyne Kieling for Madgre*

Address P.O. BOX 2914 - HOBBS, NM 88240

Title Environmental Engineering Specialist

Signature *Javier Velazquez*

Date 7-11-01

Title Driver

Date 7-11-01

OIL CONSERVATION DIVISION

Approved By *Martyne Kieling*

Title Env. Eng. Sp.

Date 7-11-01

A COPY OF THIS FORM MUST BE ON LOCATION DURING TANK CLEANING, REMOVAL OF SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS, AND MUST BE PRESENTED WITH TANK BOTTOMS, SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS AT THE TREATING PLANT TO WHICH IT IS DELIVERED.

DISTRIBUTION BY OCD

<input checked="" type="checkbox"/>	Santa Fe
<input type="checkbox"/>	File
<input type="checkbox"/>	Operator
<input type="checkbox"/>	Transporter (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

State of New Mexico
Energy Minerals and Natural Resources

Form C-117 A
Revised March 17, 1999

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

Submit 5 Copies to
Appropriate District Office

PERMIT NO. H-23823

TANK CLEANING, SEDIMENT OIL REMOVAL, TRANSPORTATION OF MISCELLANEOUS HYDROCARBONS AND DISPOSAL PERMIT

Operator or Owner NEW MEXICO OIL CONSERVATION DIVISION Address 1625 N. FRENCH DRIVE, HOBBS, NM 88240
Lease or Facility Name GOODWIN TREATING PLANT Location F-31-18-37
U.L. - Sec. - Twp. - Rge.

OPERATION TO BE PERFORMED:

☒ Tank Cleaning ☐ Sediment Oil Removal ☐ Transportation of Miscellaneous Hydrocarbons

Operator or Owner Representative authorizing work NEW MEXICO OIL CONSERVATION DIVISION (SANTA FE OFF.)

Date Work to be Performed 7/11/2001 thru 7/14/2001

TANK CLEANING DATA Tank Number OCD TANK #111 Volume 60 CUBIC YARDS

Tank Type REDWOOD TANK

Volume Below Load Line _____

SEDIMENT OIL OR MISCELLANEOUS HYDROCARBON DATA

Sediment Oil from: ☐ Pit ☐ Cellar ☒ Other

MISCELLANEOUS OIL

Tank Bottoms From: ☐ Pipeline Station ☐ Crude Terminal ☐ Refinery ☒ Other*

Catchings From: ☐ Gasoline Plant ☐ Gathering Lines ☐ Salt Water Disposal System ☐ Other*

☐ Pipeline Break Oil or Spill

*Other (Explain) _____

VOLUME AND DESTINATION:

Estimated Volume 60 Bbls.

Field test volume of good oil _____ Bbls.
(Not required prior to Division approval)

Destination (Name and Location of treating plant or other facility) SUNDANCE SERVICES INC.

P.O. BOX 1737, EUNICE, NM 88231

DESTRUCTION OF SEDIMENT OIL BY:

☐ Burning ☐ Pit Disposal ☐ Use on Roads or firewalls ☐ Other

(Explain) NOT APPLICABLE

Location of Destruction _____

Justification of Destruction _____

CERTIFICATION: (APPLICATION MAY BE MADE BY EITHER OF THE FOLLOWING)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Owner NEW MEXICO OIL CONSERVATION DIV.

Transporter LOBO TRUCKING

By MARTYNE KIELING

Address P.O. BOX 2914

Title Environmental Engineering Specialist

Signature [Signature]

Date 7-11-01

Title P.O. 102

Date 7-11-01

OIL CONSERVATION DIVISION

Approved By [Signature]

Title Env. Eng. Sp.

Date 7-11-01

A COPY OF THIS FORM MUST BE ON LOCATION DURING TANK CLEANING, REMOVAL OF SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS, AND MUST BE PRESENTED WITH TANK BOTTOMS, SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS AT THE TREATING PLANT TO WHICH IT IS DELIVERED.

DISTRIBUTION BY OCD	
<input checked="" type="checkbox"/>	Santa Fe
<input type="checkbox"/>	File
<input type="checkbox"/>	Operator
<input type="checkbox"/>	Transporter (2)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-117 A
Revised March 17, 1999

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

Submit 5 Copies to
Appropriate District Office

PERMIT NO. H-23824

TANK CLEANING, SEDIMENT OIL REMOVAL, TRANSPORTATION OF MISCELLANEOUS HYDROCARBONS AND DISPOSAL PERMIT

Operator or Owner NEW MEXICO OIL CONSERVATION DIVISION Address 1625 N. FRENCH DRIVE, HOBBS, NM 88240
Lease or Facility Name GOODWIN TREATING PLANT Location F-31-18-37
U.L. - Sec. - Twp. - Rge.

OPERATION TO BE PERFORMED:

☒ Tank Cleaning ☐ Sediment Oil Removal ☐ Transportation of Miscellaneous Hydrocarbons

Operator or Owner Representative authorizing work NEW MEXICO OIL CONSERVATION DIVISION (SANTA FE OFF.)

Date Work to be Performed 7/11/2001 thru 7/14/2001

TANK CLEANING DATA Tank Number OCD TANK #118 Volume 150 CUBIC YARDS

Tank Type REDWOOD TANK

Volume Below Load Line _____

SEDIMENT OIL OR MISCELLANEOUS HYDROCARBON DATA

Sediment Oil from: ☐ Pit ☐ Cellar ☒ Other

MISCELLANEOUS OIL

Tank Bottoms From: ☐ Pipeline Station ☐ Crude Terminal ☐ Refinery ☒ Other*

Catchings From: ☐ Gasoline Plant ☐ Gathering Lines ☐ Salt Water Disposal System ☐ Other*

☐ Pipeline Break Oil or Spill

*Other (Explain) _____

VOLUME AND DESTINATION:

Estimated Volume 150 Bbls.

Field test volume of good oil _____ Bbls.
(Not required prior to Division approval)

Destination (Name and Location of treating plant or other facility) SUNDANCE SERVICES INC.

P.O. BOX 1737, EUNICE, NM 88231

DESTRUCTION OF SEDIMENT OIL BY:

☐ Burning ☐ Pit Disposal ☐ Use on Roads or firewalls ☐ Other

(Explain) NOT APPLICABLE

Location of Destruction _____

Justification of Destruction _____

CERTIFICATION: (APPLICATION MAY BE MADE BY EITHER OF THE FOLLOWING)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Owner NEW MEXICO OIL CONSERVATION DIV.

Transporter LOBO TRUCKING

By MARTYNE KIELING

Address P.O. BOX 2914 HOBBS, NM 88240

Title Environmental Engineering Specialist

Signature [Signature]

Date 7-11-01

Title Drivca

Date 7-11-01

OIL CONSERVATION DIVISION

Approved By [Signature]

Title Env. Eng. Sp.

Date 7-11-01

A COPY OF THIS FORM MUST BE ON LOCATION DURING TANK CLEANING, REMOVAL OF SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS, AND MUST BE PRESENTED WITH TANK BOTTOMS, SEDIMENT OIL OR MISCELLANEOUS HYDROCARBONS AT THE TREATING PLANT TO WHICH IT IS DELIVERED.

DISTRIBUTION BY OCD	
<input checked="" type="checkbox"/>	Santa Fe
<input type="checkbox"/>	File
<input type="checkbox"/>	Operator
<input type="checkbox"/>	Transporter (2)



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

Memorandum of Meeting or Conversation

Telephone _____
Personal XX
E-Mail _____

Time: 9:30 am

Date: July 11, 2001

Originating Party: Wayne Price and Martyne Kieling-OCD

Other Parties: Roger Anderson-Environmental Bureau Chief

Subject: Goodwin Treating Plant Project

Discussion: Re-cycling of Oilfield BS&W from tanks 118, 114, 111 and heater treater.

On July 10, 2001 OCD and NMED Radiation Protection Program personnel performed a norm survey of the above tanks. All readings were found to be below the 50 uR/Hr action level.

Conclusions or Agreements:

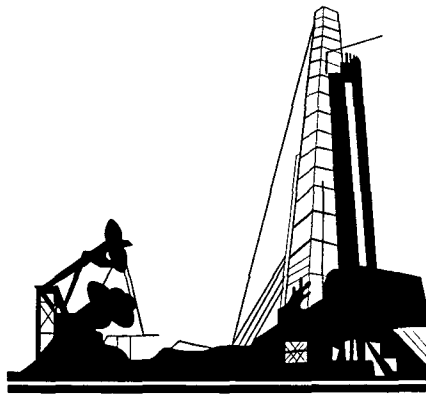
Wayne Price and Martyne Kieling recommend the material found in the above tanks be re-cycled through an OCD permitted treating plant facility.

Signed:

Wayne Price *Martyne Kieling*

CC: NMED- Bill Floyd

Concur *RA*



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
(505) 476-3440
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Paul Sheely 505 3930720

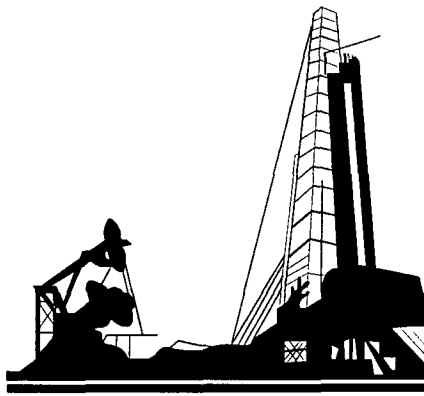
FROM: Martyn Kiehl

DATE: 7-16-01

PAGES: 1 of 2

SUBJECT: Goodwin T.P. Tanks 111, 114, 118

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE
NUMBER ABOVE.



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
(505) 476-3440
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Glenn Smalley 940-387 8376

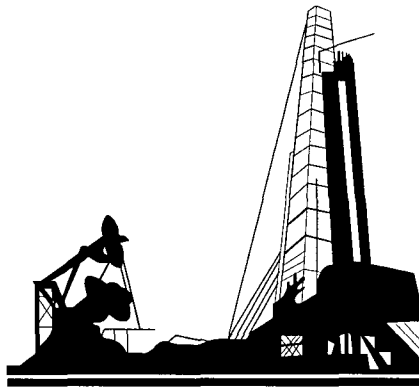
FROM: Martyn Kiehl

DATE: 7-11-01

PAGES: 1 of 1

SUBJECT: Tanks 111, 114, 118 Goodwin T.P.

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE
NUMBER ABOVE.



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
(505) 476-3440
(505) 476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO:

Glen Smalley Ron Redford
713-649-3807

FROM:

Martynne Kieling

DATE:

7-11-01

PAGES:

1 of 1

SUBJECT:

Goodwin Treating Plant

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE
NUMBER ABOVE.



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
(505) 476-3440
(505) 476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Mike Patterson, 394-2590

FROM: Martyn Kiehl

DATE: 7-11-01

PAGES: 1 of 2

SUBJECT: Recycling of Oilfield BS&W at Goodwin

Mike, we will also want the Celler around

The well sucked out. Thanks

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE
NUMBER ABOVE.

**FAX COVER LETTER**

DATE: Thursday, July 10, 2001
PAGES: 02
TO: Martyne J. Kieling C/O Roger Anderson
FIRM: NMOCD
PHONE: (505) 476-3488
FAX: (505) 476-3462
FROM:

Ron Radford
Remediation Project Manager
PHILIP ENVIRONMENTAL SERVICES CORP.
6845 Dixie Drive
Houston, Texas 77087
Telephone: (713) 495-3229
Fax: (713) 649-3807

MESSAGE:

Roger, please review the attached budgetary estimate and project completion projections. If you have any questions, please call me at (281) 413-1467.

Thank you,

Ron Radford
Remediation Project Manager

CONFIDENTIALITY CAUTION

This message is intended only for the use of the individual or entity to which it is addressed and contains information that is privileged and confidential. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communications is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address at our cost.



Thursday, July 12, 2001
Project Number: 62800404

Mrs. Martync J. Kieling
Environmental Geologist
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Progress Report, EMNRD-OCD No. 01-521-07-151

Dear Mrs. Kieling:

Attached are two spreadsheets detailing costs to date for the above-mentioned project and project cost for completion of phase I of this project. The costs include previously approved and completed investigation and well installation work. PSC mobilized to the project on Monday, June 18, 2001. The site remediation work began the next day.

Philip Environmental Services Corporation (PESC) in response to New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division (NMOCD) has projected the cost to complete the remaining scope of work involved with demolishing three previous NORM tanks and one existing NORM tank. Additionally, cost have been projected to stabilize, stage, grid, sample, and survey the material from the tanks.

PESC estimates two days to decontaminate and load out the four tanks and another eight days to complete the stabilization, staging, sample grid, and surveying of the material. PESC plans to bill all cost associated with this scope of work according to the technical specifications and supplemental rates established in our proposal and contract.

Please contact me at (713) 495-3262 if you have questions concerning this budgetary estimate and report.

Sincerely,

Philip Environmental
Services Corporation

Ron Radford
Remediation Project Manager

New Mexico Energy, Minerals and Natural Resources Department
 Oil Conservation Division
 Attn: Ms. Martyne Kieling
 1220 South St. Francis Drive
 Santa Fe, New Mexico 87505

DATE 7/12/01
 PAGE # 1

CONTRACT# 12805
 PROJECT# 62800404
 CLIENT# 1254045

RE: Contract 00-521-07-151
 Goodwin Treating Plant Site

PROJECT COMPLETION COST ESTIMATE

ITEM	UNIT OF MEASURE	COST COST/UNIT	TOTAL UNITS	TOTAL COST
Tank Decontamination (2 days)				
Sr. Scientist	hour	\$70.00	6.0	\$420.00
Certified NORM Technician/Scientist	hour	\$55.00	24.0	\$1,320.00
Environmental Operator	hour	\$35.00	72.0	\$2,520.00
Environmental Technician	hour	\$35.00	48.0	\$1,680.00
Trackoe	hour	\$60.00	24.0	\$1,440.00
Front End Loader	hour	\$50.00	12.0	\$600.00
Stabilization/ Tank Waste Handling/ Staging/ Sample Grid/ Surveying (8 days)				
Sr. Scientist	hour	\$70.00	24.0	\$1,680.00
Certified NORM Technician/Scientist	hour	\$55.00	48.0	\$2,640.00
Environmental Operator	hour	\$35.00	144.0	\$5,040.00
Environmental Technician	hour	\$35.00	56.0	\$1,960.00
Trackoe	hour	\$60.00	80.0	\$4,800.00
Front End Loader	hour	\$50.00	24.0	\$1,200.00
Norm Tank Waste Disposal	LS	\$4,560.00	1.0	\$4,560.00
Norm Analysis	ea	\$110.00	4.0	\$440.00
Roll Off Box for Norm Storage	day	\$15.00	60.0	\$900.00
Roll Off Box Staging	ea	\$75.00	2.0	\$150.00
6 Mil Poly	roll	\$45.00	5.0	\$225.00
SUBTOTAL				\$31,575.00
TAX -Lea County 5.250%				\$1,657.69
TOTAL COST				\$33,232.69

7/5/01

PROGRESS PROJECTION REPORT

PSC PROJECT NO. 62800404
 EMNRD-OCD No. 01-521-07-151
 Goodwin Treating Plant
 Hobbs, NM

ITEM No.	TECHNICAL SPECIFICATION	COMPLETE	PROPOSED COST	COST TO DATE
1	Sub-surface Investigation	X	\$ 5,640.00	\$ 5,640.00
2	Well completion	X	\$ 2,200.00	\$ 2,200.00
3	Groundwater sampling	X	\$ 2,030.00	\$ 2,030.00
4	NORM Requirements		\$ 55,500.00	\$ 36,575.00
5	NORM survey & lab analysis	X	\$ 4,700.00	\$ 4,700.00
6	Tank fluid removal & disposal		\$ 14,700.00	\$ 8,240.00
7	Tank solids removal & disposal		\$ 6,500.00	\$ 36,069.00
8	Tank and equipment removal		\$ 20,400.00	\$ 16,900.00
9	Near-surface contamination investigation, 35 lab samples		\$ 6,600.00	\$ 1,512.00
10	Contaminated soil removal (based on 1,450cy)		\$ 38,150.00	\$ 91,138.00
11	Backfill		\$ 25,600.00	\$ 51,300.00
12	Phase 1 report	X	\$ 2,000.00	\$ 2,000.00
13	Phase 2 report	X	\$ 2,000.00	\$ 2,000.00
14	Phase 3 report		\$ 3,300.00	\$ 3,300.00
15	Clay Barrier Liner			\$ 11,340.00
	Subtotal		\$ 189,320.00	
	Taxes		\$ 9,939.30	
	TOTAL		\$ 199,259.30	
*	Additional Materials, wells	X		\$ 50.75
CO	Change order, NORM survey	X		\$ 5,492.50
**	Soil solidification, 19 Hrs.			\$ 1,805.00
				\$ 282,292.25
	TAXES			\$ 14,820.34
	Estimated Total To Date			\$ 297,112.59
	Subtract Phase 3 Report			\$ 3,300.00
	Subtract Landfarm Credit			\$ 4,116.00
	Total Credit			\$ 7,416.00
	Tax deduction on Credit			\$ 389.34
				\$ 7,026.66
	Corrected Estimated Total			\$ 290,085.93



FAX COVER LETTER

DATE: Thursday, July 05, 2001

PAGES: 07

TO: Martyne J. Kieling

FIRM: NMOCD

PHONE: (505) 476-3488

FAX: (505) 476-3462

FROM:

Ron Radford
Remediation Project Manager
PHILIP ENVIRONMENTAL SERVICES CORP.
6845 Dixie Drive
Houston, Texas 77087
Telephone: (713) 495-3229
Fax: (713) 649-3807

MESSAGE:

Martyne, please review the attached revised proposal for installation of the clay barrier liner. The estimate for the volume of clay was revised from (65' * 75' * 4') to (65' * 75' * 4'). The former was a typo and is corrected on the attached revised proposal.

Thank you,

Ron Radford
Remediation Project Manager

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Thursday, July 05, 2001
Project Number: 62800404

Mrs. Martyne J. Kieling
Environmental Geologist
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**SUBJECT: Proposal to Install Clay Barrier Liner
Goodwin Treating Plant
Hobbs, New Mexico**

Dear Mrs. Kieling:

Philip Environmental Services Corporation (PESC) is pleased to submit this proposal to New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division (NMOCD) for the above referenced work. This proposal addresses the scope of work provided verbally by NMOCD.

PSC appreciates the opportunity to submit this proposal to NMOCD. Should NMOCD have any questions or comments, please feel free to contact us at (713) 495-3262.

Sincerely,

Philip Environmental
Services Corporation

A handwritten signature in black ink, appearing to read "R. Radford", is written over the printed name.

Ron Radford
Remediation Project Manager

Clay Barrier Liner Installation

Prepared for:

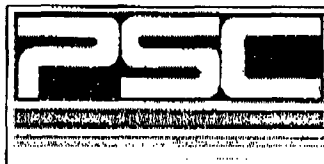
NMOCD

**1220 South St. Francis Drive
Santa Fe, NM 87505**

**Thursday, July 05, 2001
Project Number: 62800404**

Prepared by:

PESC



**6845 Dixie Drive
Houston, Texas 77087
Office (713) 4956-3262**

Table of Contents

1. PROJECT BACKGROUND.....	1
1.1. PROPOSED SCOPE OF WORK.....	1
2. SCHEDULE.....	1
3. COST ESTIMATE.....	1
4. ENGAGEMENT ACCEPTANCE.....	3

NMOCD
Clay Barrier Liner Proposal

1. Project Background

PESC is currently conducting remediation operations at the Goodwin Treating Plant located in Hobbs, New Mexico. During the course of operations and in accordance with the original scope of work PESC excavated the former overflow pit. This proposal addresses a scope substitute in the original backfilling plans for this excavation.

1.1. Proposed Scope of Work

PESC will mobilize all equipment, materials, supplies and personnel to complete the site-specific project objectives. The project objectives will be to install a clay barrier liner 65' * 75' * 4' over clean backfill in the former overflow pit excavation. The approximate location of the clay barrier will be twenty feet below ground surface (bgs). The approximate volume will be seven hundred twenty cubic yards of clay material from a tested borrow source.

2. Schedule

It is anticipated the clay barrier liner installation operations will take approximately 3 days of field time to complete. PESC can initiate operations within 1 day of project award.

3. Cost Estimate

PESC will perform the activities outlined in the Scope of Work on a Lump Sum, Unit Rate, and T/M basis as shown in the table below.

DESCRIPTION	UNITS	QTY	RATE	COST
Clay Material	UR	720	\$ 7.50	\$ 5,400.00
Transportation	UR	720	\$ 4.24	\$ 3,060.00
Clay Material Placement	UR	720	\$ 4.00	\$ 2,880.00
TOTAL ESTIMATED COST				\$ 11,340.00

TBD To be determined LS - Lump sum price UR - Unit Rate TM - Time and Materials

In preparing the cost estimate for the project, the following assumptions have been made:

- NMOCD will provide access authorization to the site.
- The scope of work can be completed in level D PPE.
- Compaction will be accomplished using a track excavator

*NMOCD
Clay Barrier Liner Proposal*

PESC will provide the services described in the Scope of Work on a lump sum, unit rate and time and materials basis. Invoices will be submitted on a percent-complete basis or at the end of PSC's monthly invoice cycle, or at our discretion. Should conditions be encountered that change the Scope of Work or level of effort necessary to meet project objectives, NMOCD will be notified as soon as practical. No additional work beyond the proposed scope will be performed without EM's prior written approval in accordance with a mutually acceptable and executed Change Order. This proposal is valid for thirty days.

NMOCD
Clay Barrier Liner Proposal

4. Engagement Acceptance

PESC's Engagement dated Thursday, July 05, 2001 is hereby accepted and authorization is hereby granted to proceed with execution of the various tasks as requested.

NMOCD

Title

Signature / Date

286
PESC

PROJECT MANAGER
Title

261
Signature / Date

**FAX COVER LETTER****DATE:** Thursday, July 05, 2001**PAGES:** 04**TO:** Martyn J. Kieling**FIRM:** NMOCD**PHONE:** (505) 476-3488**FAX:** (505) 476-3462**FROM:**

Ron Radford
Remediation Project Manager
PHILIP ENVIRONMENTAL SERVICES CORP.
6845 Dixie Drive
Houston, Texas 77087
Telephone: (713) 495-3229
Fax: (713) 649-3807

MESSAGE:

Martyn, please review the attached progress report with the associated spread sheets. Please call me with any questions.

Thank you,

Ron Radford
Remediation Project Manager

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Thursday, July 05, 2001
Project Number: 62800404

Mrs. Martyne J. Kieling
Environmental Geologist
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Progress Report, EMNRD-OCD No. 01-521-07-151

Dear Mrs. Kieling:

Attached is a spreadsheet detailing costs to date for the above-mentioned project. The costs include previously approved and completed investigation and well installation work. PSC mobilized to the project on Monday, June 18, 2001. The site remediation work began the next day.

The overflow pit excavation, tank demolition, and site cleanup is in progress. Through Tuesday, July 03, 2001, the pit excavation has exceeded original projections. Excavation depth is up to 38 feet. The pit has been excavated to bedrock. Approximately 3,208 cubic yards of material and backfill used for solidification have been removed from the pit. Analytical results from the pit bottom verification samples reveal that the TPH levels exceed target cleanup levels.

Total soil transported to J&L Landfarm is 3,288 cubic yards from the site and 940 cubic yards from the solidified tank bottoms. In addition, an estimated volume of 400 cubic yards of material from the tank bottoms will be transported to the land farm. 3,616 cubic yards of backfill has been brought to the site of which 160 yards was used as solidifying agent for the pit. 610 cubic yards was used to solidify tank bottoms. The berms around the pit tanks were removed and used as solidifying agent.

The tank demolition work is 50% complete. All steel tanks (EXCEPT NORM TANKS) have been opened and partially demolished. Four loads of scrap metal have left the site. 540 barrels of liquid have been removed from the site (110 BBLs from the "pit" area).

Please contact me at (713) 495-3262 if you have questions concerning this report.

Sincerely,

Philip Environmental
Services Corporation

Ron Radford
Remediation Project Manager

7/5/01

PROGRESS REPORT

PSC PROJECT NO. 62800404
EMNRD-OCD No. 01-521-07-151
Goodwin Treating Plant
Hobbs, NM

ITEM No.	TECHNICAL SPECIFICATION	COMPLETE	PROPOSED COST	COST TO DATE
1	Sub-surface Investigation	X	\$ 5,640.00	\$ 5,640.00
2	Well completion	X	\$ 2,200.00	\$ 2,200.00
3	Groundwater sampling	X	\$ 2,030.00	\$ 2,030.00
4	NORM Requirements		\$ 55,500.00	\$ 2,274.53
5	NORM survey & lab analysis	X	\$ 4,700.00	\$ 4,700.00
6	Tank fluid removal & disposal		\$ 14,700.00	\$ 4,320.00
7	Tank solids removal & disposal		\$ 6,500.00	\$ 40,645.00
8	Tank and equipment removal		\$ 20,400.00	\$ 10,200.00
9	Near-surface contamination investigation, 35 lab samples		\$ 6,600.00	\$ 1,131.43
10	Contaminated soil removal (based on 1,450cy)		\$ 38,150.00	\$ 85,938.00
11	Backfill		\$ 25,600.00	\$ 45,050.00
12	Phase 1 report	X	\$ 2,000.00	\$ 2,000.00
13	Phase 2 report	X	\$ 2,000.00	\$ 2,000.00
14	Phase 3 report		\$ 3,300.00	
	Subtotal		\$ 189,320.00	
	Taxes		\$ 9,939.30	
	TOTAL		\$ 199,259.30	
*	Additional Materials, wells	X		\$ 50.75
CO	Change order, NORM survey	X		\$ 5,492.50
**	Soil solidification, 19 Hrs.			\$ 1,805.00
				\$ 215,477.21
	TAXES			\$ 11,312.55
	Estimated Total To Date			\$ 226,789.76

7/5/01

PROGRESS PROJECTION REPORT

PSC PROJECT NO. 62800404
 EMNRD-OCD No. 01-521-07-151
 Goodwin Treating Plant
 Hobbs, NM

ITEM No.	TECHNICAL SPECIFICATION	COMPLETE	PROPOSED COST	COST TO DATE
1	Sub-surface Investigation	X	\$ 5,640.00	\$ 5,640.00
2	Well completion	X	\$ 2,200.00	\$ 2,200.00
3	Groundwater sampling	X	\$ 2,030.00	\$ 2,030.00
4	NORM Requirements		\$ 55,500.00	\$ 5,000.00
5	NORM survey & lab analysis	X	\$ 4,700.00	\$ 4,700.00
6	Tank fluid removal & disposal		\$ 14,700.00	\$ 4,320.00
7	Tank solids removal & disposal		\$ 6,500.00	\$ 40,845.00
8	Tank and equipment removal		\$ 20,400.00	\$ 20,400.00
9	Near-surface contamination investigation, 35 lab samples		\$ 6,600.00	\$ 6,600.00
10	Contaminated soil removal (based on 1,450cy)		\$ 38,150.00	\$ 85,938.00
11	Backfill		\$ 25,600.00	\$ 45,050.00
12	Phase 1 report	X	\$ 2,000.00	\$ 2,000.00
13	Phase 2 report	X	\$ 2,000.00	\$ 2,000.00
14	Phase 3 report		\$ 3,300.00	\$ 3,300.00
15	Clay Barrier Liner			\$ 11,340.00
	Subtotal		\$ 189,320.00	
	Taxes		\$ 9,939.30	
	TOTAL		\$ 199,259.30	
*	Additional Materials, wells	X		\$ 50.75
CO	Change order, NORM survey	X		\$ 5,492.50
**	Soil solidification, 19 Hrs.			\$ 1,805.00
				\$ 248,511.25
	TAXES			\$ 13,046.84
	Estimated Total To Date			\$ 261,558.09

Glenn Smalley
Sr. Project Manager
Philip Services Corp
7264 Somerset Lane
Aubrey, Texas 76227
940/387-8376
FAX 225/882-1314

facsimile transmittal

To: Martyne J Kieling

Fax: 505/476-3462

From: Glenn Smalley

Date: 07/02/01

Re: GoddwinTreating/Hobbs, NM

Pages: 3, including this cover page

CC: [Click here and type name]

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Notes:



INDUSTRIAL SERVICES GROUP

Central Region

July 2, 2001

Martyn J. Kieling
Environmental Geologist
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Progress Report, EMNRD-OCD No. 01-521-07-151

Dear Ms. Kieling:

Attached is a spreadsheet detailing costs to date for the above-mentioned project. The costs include previously approved and completed investigation and well installation work. PSC mobilized to the project on Monday, June 18, 2001. The site remediation work began the next day.

The overflow pit excavation, tank demolition, and site cleanup is in progress. Through Saturday, June 23, 2001, the pit excavation has exceeded original projections. Excavation depth is up to 38 feet. The pit has been excavated to bedrock. Approximately 3,208 cubic yards of material and backfill used for solidification have been removed from the pit. Analytical results from the pit bottom verification samples reveal that the TPH levels exceed target cleanup levels.

Total soil transported to J&L Landfarm is 3,208 cubic yards from the pit and 700 cubic yards from the solidified tank bottoms. 3,336 cubic yards of backfill has been brought to the site of which 160 yards was used as solidifying agent for the pit. 360 cubic yards was used to solidify tank bottoms. The berms around the pit tanks were removed and used as solidifying agent.

The tank demolition work is 25% complete. All steel tanks (EXCEPT NORM TANKS) have been opened and partially demolished. Four loads of scrap metal have left the site. 540 barrels of liquid have been removed from the site (110 BBLS from the "pit" area).

Please contact me at 940/391-4548 if you have questions concerning this report.

Sincerely,

PSC

A handwritten signature in black ink, appearing to read "Glenn Smalley".

Glenn Smalley
Sr. Project Manager

Combining the Strengths of Philip Services Corp., Allwaste and Serv-Tech

6845 Dixie Drive • Houston, Texas 77087 • (713)495-3204 • FAX (713)649-3807



7/2/01

PROGRESS REPORT

PSC PROJECT NO. 62800404
 EMNRD-OCD No. 01-521-07-151
 Goodwin Treating Plant
 Hobbs, NM

ITEM No.	TECHNICAL SPECIFICATION	COMPLETE	PROPOSED COST	COST TO DATE
1	Sub-surface Investigation	X	\$ 5,640.00	\$ 5,640.00
2	Well completion	X	\$ 2,200.00	\$ 2,200.00
3	Groundwater sampling	X	\$ 2,030.00	\$ 2,030.00
4	NORM Requirements		\$ 55,500.00	\$ 2,274.53
5	NORM survey & lab analysis	X	\$ 4,700.00	\$ 4,700.00
6	Tank fluid removal & disposal		\$ 14,700.00	\$ 4,320.00
7	Tank solids removal & disposal		\$ 6,500.00	\$ 21,540.00
8	Tank and equipment removal		\$ 20,400.00	\$ 5,100.00
9	Near-surface contamination investigation, 35 lab samples		\$ 6,600.00	\$ 1,131.43
10	Contaminated soil removal (based on 1,450cy)		\$ 38,150.00	\$ 83,858.00
11	Backfill		\$ 25,600.00	\$ 44,675.00
12	Phase 1 report	X	\$ 2,000.00	\$ 2,000.00
13	Phase 2 report	X	\$ 2,000.00	\$ 2,000.00
14	Phase 3 report		\$ 3,300.00	
	Subtotal		\$ 189,320.00	
	Taxes		\$ 9,939.30	
	TOTAL		\$ 199,259.30	
*	Additional Materials, wells	X		\$ 50.75
CO	Change order, NORM survey	X		\$ 5,492.50
**	Soil solidification, 19 Hrs.			\$ 1,805.00
				\$ 188,817.21
	TAXES			\$ 9,912.90
	Estimated Total To Date			\$ 198,730.11



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

Memorandum of Meeting or Conversation

Telephone _____
Personal XX
E-Mail _____

Time: 9:30 am
Date: July 11, 2001

Originating Party: Wayne Price and Martyne Kieling-OCD

Other Parties: Roger Anderson-Environmental Bureau Chief

Subject: Goodwin Treating Plant Project

Discussion: Re-cycling of Oilfield BS&W from tanks 118, 114, 111 and heater treater.

On July 10, 2001 OCD and NMED Radiation Protection Program personnel performed a norm survey of the above tanks. All readings were found to be below the 50 uR/Hr action level.

Conclusions or Agreements:

Wayne Price and Martyne Kieling recommend the material found in the above tanks be re-cycled through an OCD permitted treating plant facility.

Signed: _____

CC: NMED- Bill Floyd

Wayne Price *Martyne Kieling*
concur *RA*



1313 13th Street
Lubbock, TX 79401

082

DESTINATION STATION CITY & STATE

ZIP

Lubbock TX

79424

To (Recipient's Name)

Trace Analysis

Exact Street Address Cannot deliver to P.O. Box or Zip Code

6701 Aberdeen Ave

City Lubbock State TX

Zip

Recipient's Package Express Account No.

Recipient's Phone Number
(Very Important)

Shipper's Phone Number
(Very Important)

Shipper's Package Express Account No.

From (Shipper's Name)

Oil Conservation

Exact Street Address Cannot deliver to P.O. Box or Zip Code

French Drive

City Hobbs State NM

Zip

88240

SHIPPER'S RECEIPT - 1

MU	DATE	TIME	PM	FORWARDING AGENCY NO.	FORWARDING AGENT'S INITIALS	PICK-UP AGENT I.D.	DELIVERY AGENT I.D.	DESTINATION AGENCY NO.
7	10	01	10:45	X		AB		
BUSBILL NUMBER DO NOT WRITE IN THIS AREA								
902 629 498 1								
4 INTERLINE INFORMATION								
Carrier Code	City			Schedule #				
Carrier Code	City			Schedule #				
Carrier Code	City			Schedule #				
5 SERVICE REQUIRED				6 PAYMENT				
<input type="checkbox"/> NBO	<input type="checkbox"/> SAME DAY	<input type="checkbox"/> OVER-NIGHT	<input checked="" type="checkbox"/> STD	<input type="checkbox"/> BILL PKG EXPRESS ACCOUNT	<input type="checkbox"/> CASH	<input type="checkbox"/> BILL 3RD PARTY	<input type="checkbox"/> BILL CRDT CARD	
X X =				÷ 200 =				
7 DIMENSIONAL WEIGHT COMPUTATION DIMENSIONAL WGT. LBS.								
NO. OF PIECES			ACTUAL WEIGHT LBS.			DECLARED VALUE \$		
1			15					
CONTENTS				CARTON DESCRIPTION				
				cooler				

DEL. REQ'D	RATE ZONE	C.O.D.
PREPAID	CHARGES	EXPRESS
\$.	EXPRESS	\$ 12.05
.	REFWD	.
.	VALUE	.
.	COLLECT / C.O.D. FEE	2.00
.	SUB TOTAL	14.05
.	PICK-UP	.
.	DELIVERY	.
.	TAX	.
.	C.O.D. AMOUNT	.
\$.	TOTAL	\$ 14.05

(NOT NEGOTIABLE) SUBJECT TO TARIFF REGULATIONS LIABILITY: This Carrier will not pay loss or damage claims over \$100 per shipment or \$50 per package, whichever is greater, unless a greater value is declared and charges for such greater value paid. Maximum valuation on any one shipment is limited by tariff. (See Tariff for intrastate exceptions). In no event shall the Carrier be liable for consequential or incidental damage for loss, damage or delay.

6701 Aberdeen Avenue, Ste. 9
Lubbock, Texas 79424
Tel (806) 794-1296
Fax (806) 794-1298
1 (800) 378-1296

TraceAnalysis, Inc.

4725 Ripley Dr., Ste A
El Paso, Texas 79922-1028
Tel (915) 585-3443
Fax (915) 585-4944
1 (888) 588-3443

Company Name:

my Name: NEW MEXICO OIL CONSERVATION DIVISION Phone #: 505 476-3488

Address: _____ (Street, City, Zip)

20 S. SAINT FRANCIS. Santa Fe NM 87505

Contact Person:

MARTYNŲ KIEMAS

Invoice to:

(If different from above)

Project #:

Goodwin Treatment Plant

Project Location:

Sampler Signature:

Redwood tanks

[illegible]

Relinquished by: *[Signature]* Date: *07/10/01* Time: *10:45*

Relinquished by: _____	Date: _____	Time: _____
Relinquished by: _____	Date: _____	Time: _____

Relinquished by: _____ Date: _____ Time: _____

Received by:	Date:	Time:
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Received by: _____ Date: _____ Time: _____

Received at Laboratory by: _____ Date: _____ Time: _____

LAB USE ONLY

[illegible]

Headspace	Y / N
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Temp

Logistics in Review

Submission of samples constitutes agreement to Terms and Conditions listed on reverse side of C.O.C.

CHART COPY

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

LAB Order ID #

ANALYSIS REQUEST

(Circle or Specify Method No.)

[illegible]

REMARKS:

Call For Alternative turnaround

Time cell 505 660-1067

SDS-476-3488

505-476-3487

Carrier #