

BW - 25

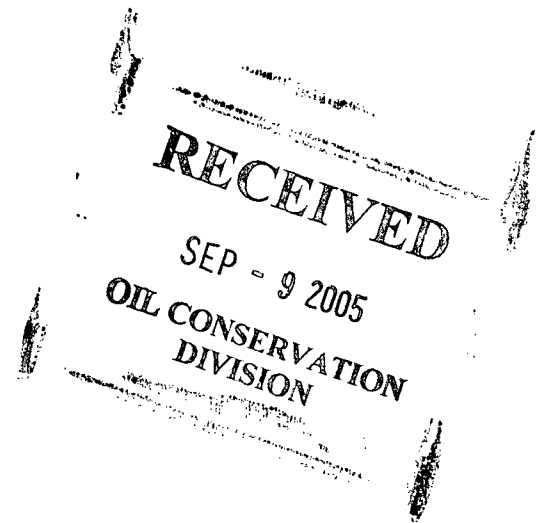
MONITORING REPORTS

DATE:

2005/04

MW PLAN

September 6, 2005



NMOCD Environmental
ATTN: Wayne Price
P.O. Box 6429
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Salado Brine BW-025

Mr. Price:

As directed, Salado did attempt to drill and install a Monitor Well as your letter approved.

The well was advanced to a total depth of 50 feet, and was dry. The hole was then plugged. I took a soil sample at 20 feet which was at the top of a sand & gravel layer and also at TD, the analysis is attached.

Since we have no shallow water at this site, Salado will continue to monitor the offset water wells as earlier approved. Find within analytical, photos and log of well.

If you have any questions, please call.

Thanks,

A handwritten signature in cursive script, appearing to read "Eddie W. Seay". The signature is written in black ink and extends to the right with a long, sweeping underline.

Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(505)392-2236
seay04@leaco.net



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

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

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINIOS
HOBBS, NM 88242
FAX TO: (505) 392-6949

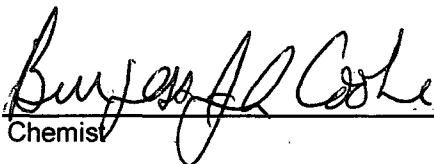
Receiving Date: 08/24/05
Reporting Date: 08/25/05
Project Owner: D. PRATHER
Project Name: SALADO BRINE
Project Location: JAL, NM

Sampling Date: 08/24/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/AH

| LAB NUMBER | SAMPLE ID | GRO (C ₆ -C ₁₀) (mg/Kg) | DRO (>C ₁₀ -C ₂₈) (mg/Kg) | Cl* (mg/Kg) |
|-----------------------------|-----------|--|--|----------------|
| | | 08/24/05 | 08/24/05 | 08/25/05 |
| H10110-1 | MW-1-20 | <10.0 | <10.0 | 160 |
| H10110-2 | MW-1-50 | <10.0 | <10.0 | 24 |
| | | | | |
| | | | | |
| | | | | |
| Quality Control | | 796 | 781 | 980 |
| True Value QC | | 800 | 800 | 1000 |
| % Recovery | | 99.5 | 97.6 | 98.0 |
| Relative Percent Difference | | 8.3 | 7.6 | 0.0 |

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-Cl'B

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


Chemist

8/25/05
Date

H10110.XLS

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.



| | |
|-----------------------------------|-----------------------------------|
| 2111 Beechwood, Abilene, TX 79603 | 101 East Marland, Hobbs, NM 88240 |
| (915) 673-7001 Fax (915) 673-7020 | (505) 393-2326 Fax (505) 393-2476 |

Page _____ of _____

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]

| Depth | Soil Column | Analytical Results | Petroleum Odor | Petroleum Stain | Soil Description | Soil Boring Completion Data | |
|---|-------------|---|----------------|-----------------|--|---|--|
| 5 | | | None | None | Caliche and Rock Layer, Dry | Soil Boring Completion Data TD: 50 Feet bgs. Installed 24 Aug 05 Eddie Seay Consulting | |
| 10 | | | None | None | Soft Caliche, Dry | | |
| 15 | | | None | None | Caliche and Sand, Dry | Soil Boring Plugging Data | |
| 20 | | TPH GRO/DRO: <10.0 ppm Chl: 160 ppm | None | None | Sand (SP) Red, Very Fine Grained, Well Sorted, Dry | | |
| 25 | | | None | None | Sand (SP) Red, Very Fine Grained, Well Sorted, imbedded w/gravel, dry | Cement, 10' bgs to surface | |
| 30 | | | None | None | Sand (SP) Red, Very Fine Grained, Well Sorted, imbedded w/gravel and red clay, dry | SB Cuttings, 10-25' bgs | |
| 35 | | | None | None | | Bentonite Plug, 25-30' bgs | |
| 40 | | | None | None | | | |
| 45 | | | None | None | Sand (SP) Red, Very Fine Grained, Well Sorted, imbedded w/ red clay, damp | SB Cuttings, 30-45' bgs | |
| 50 | | TPH GRO/DRO: <10.0 ppm Chl: 24 ppm | None | None | Red Bed clay, dry | Bentonite Plug, 45-50' bgs | |
| <div>Prather Salado Brine SB-1 Lea County, New Mexico GPS: 32 07 07N 103 10 36W</div> | | | | | | | |
| TITLE | | DESCRIPTION | | | | | |
| Prather Salado Brine | | SB-1 | | | | | |
| DRAWN BY KAD | | DATE 2 Aug 05 | | | | | |

Rena Seay

From: "Price, Wayne" <WPrice@state.nm.us>
To: "Eddie Seay (E-mail)" <seay04@leaco.net>
Sent: Monday, May 23, 2005 9:48 AM
Subject: FW: Salado Brine sales BW-025 minor modification

> -----Original Message-----

> From: Price, Wayne
 > Sent: Monday, May 23, 2005 9:46 AM
 > To: Eddie Seay (E-mail); Paul Prather (E-mail)
 > Cc: Sheeley, Paul; Johnson, Larry
 > Subject: Salado Brine sales BW-025 minor modification

> Dear Mr. Prather and Seay:

> OCD is in receipt of the December 06, 2004 action plan for the above
 > referenced facility. OCD hereby approves of the plan with the following
 > conditions:

> 1. OCD recommends that the proposed monitor well be installed near the
 > southwest corner of the wash-out pit drying pad.

> 2. The new monitor well shall be developed, purged and sampled pursuant
 > to approved EPA methods. A geologic/lithologic log and well completion
 > diagram for the well shall be provided. The sample shall be initially
 > analyzed for BTEX (8021) and general chemistry. After initial sampling
 > this well shall be sampled twice a year including the other four wells
 > previously approved. These results shall be submitted in the annual
 > report.

> 3. Salado will notify the OCD Santa Fe office and the OCD District
 > office at least 72 hours in advance of all scheduled activities such that
 > the OCD has the opportunity to witness the events and/or split samples
 > during OCD's normal business hours.

> 4. Contamination found in any monitoring point that exceeds the Water
 > Quality Control Commission Regulation (WQCC) groundwater standards
 > shall require immediate corrective action. A corrective action plan shall
 > be submitted within 30 days of discovery.

> Please be advised that NMOCD approval of this plan does not relieve Salado
 > Brine Sales of liability should their operations fail to adequately
 > investigate and remediate contamination that pose a threat to ground
 > water, surface water, human health or the environment. In addition, NMOCD
 > approval does not relieve Salado Brine Sales of responsibility for
 > compliance with any other federal, state, or local laws and/or
 > regulations.

> Sincerely:

> Wayne Price
 > New Mexico Oil Conservation Division
 > 1220 S. Saint Francis Drive
 > Santa Fe, NM 87505
 > 505-476-3487
 > fax: 505-476-3462
 > E-mail: WPRICE@state.nm.us

5/23/2005

S20 T25S R37

CHAPARRAL SERVICE, INC.
SALADO BRINE WELL #2

API-30-025-32394

UNIT A SEC. 20 25S 37E

TELEPHONE 395-2010





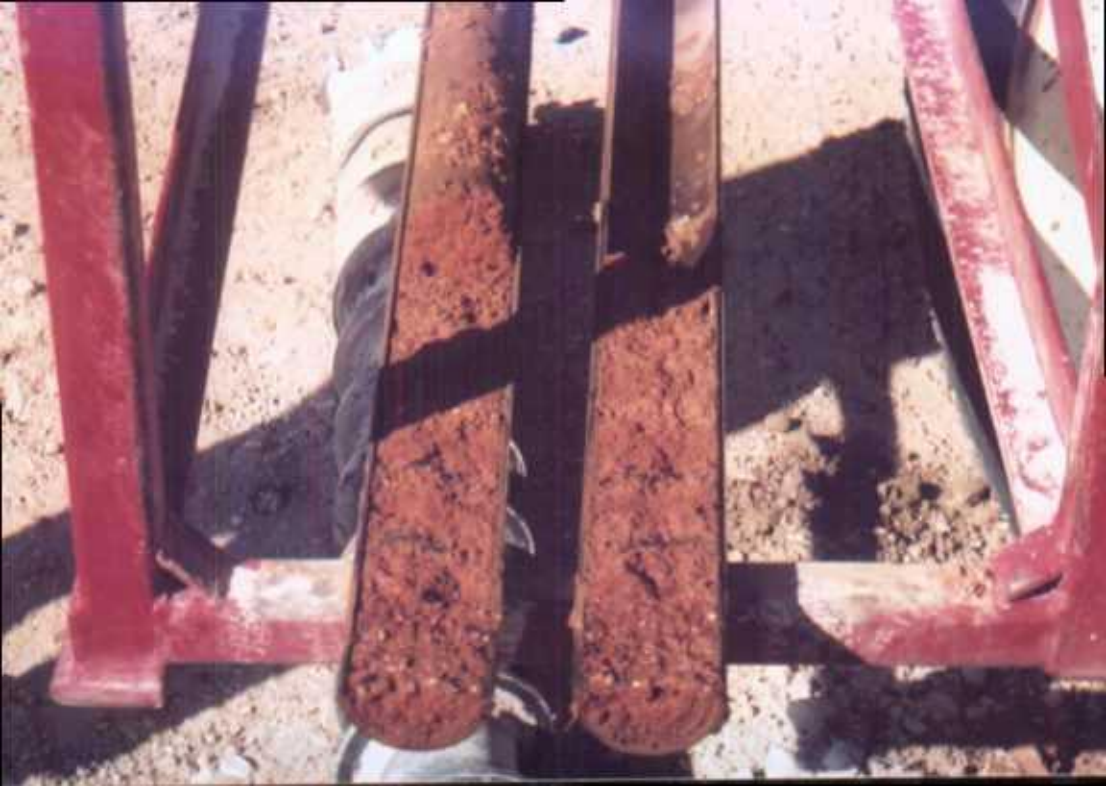
505-390 4740

NM LIC # WD 1626

LOVINGTON, N.M.











December 6, 2004

NMOCD Environmental
ATTN: Wayne Price
Box 6429
1220 S. Saint Francis Drive
Santa Fe, NM 87504

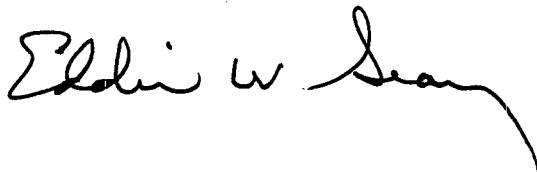
RE: Salado Brine #2 Station
Discharge Permit BW-025

Mr. Price:

Find attached action plan for Salado Brine facility as requested. Upon approval, Salado will begin making corrections as permitted.

We thank you for your consideration in this matter. If you have any questions, please call.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(505)392-2236
e-mail: seay04@leaco.net

WORK PLAN

Salado Brine Sales BW-025

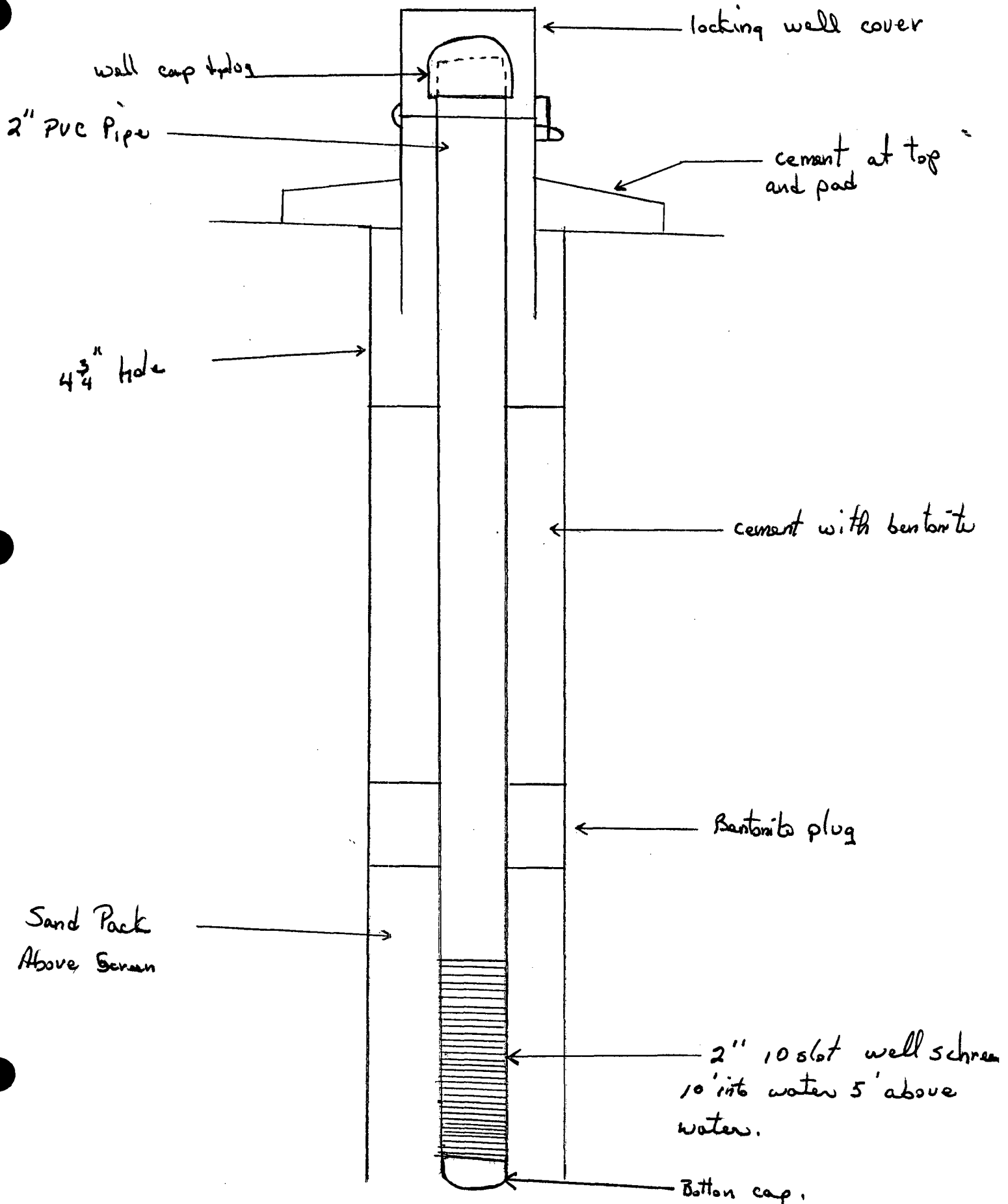
- 1) Salado has been in contact with a drilling company and is on the list to install a monitor well. I have enclosed a schematic of the proposed completion for your approval.

The MW is to be installed down gradient to the brine well and clean out pit. The ground water gradient in this area is SSW. (See plat of facility for proposed location.)

After monitor well is completed, the well will be developed and sampled according to EPA methods. Results will be sent to OCD with completion report. Salado will notify OCD prior to installing well and sampling.

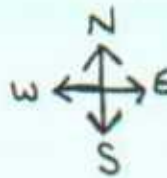
- 2) Salado will adhere to OCD Rule 116, and report and cleanup as required. Salado will do regular inspections of the facility and keep inspection sheets of all facility operations. (a sample of inspection sheet is attached.)
- 3) Salado is not aware of any leaks or spills that have occurred, but we have had an excessive amount of rain, which may be the cause of the OCD complaint for runoff of the site. It is Salado's plan to control runoff at its facility by constructing a berm on the SSW down gradient side of the facility. The berm will tie into the lined pit, any runoff will run down berm into pit and then will be vacuumed up and hauled to an OCD approved facility for disposal. (Note photo and berm on facility diagram.) Salado will conduct a soil sampling of this runoff area, and test for chloride. We will delineate both vertical and horizontal extent of contamination. Salado will file a cleanup plan with the OCD after testing. As OCD approves plan, Salado will move forward with remediation.
- 4) The leak detector for the wash-out pit was accidentally broken off and rain water was allowed to enter detection lateral. Salado has already cleaned out detection hole and installed new PVC pipe above ground with cap. We are building a guard around leak detection inspection pipe to prevent future accidents. We will continue to inspect system and keep free board down on wash-out pit. (Note photos.)

PROPOSED MONITOR WELL SCHEMATIC



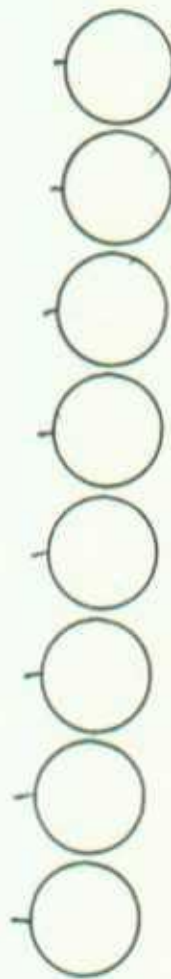
SALADO INSPECTION

| Inspector Name | Date of Inspection | Leak Detection Clean-out Pit | Monitor Well | Brine Well | Facility Inspection |
|-------------------|-----------------------|---------------------------------|-----------------|---------------|------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

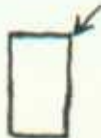


●
Brine Well

Loading Area



clean out pit



pvc
leak
detection ●

Lined Pit



Proposed berm
for Run-off control



Proposed MW

Water Well





Brine
well
+
Clean
out
pit



2. proposed
monitor
well

Berm
area



Holding
Pit
for
Run
off



Leak
Detection
Pvc



Clean
Out
Pit