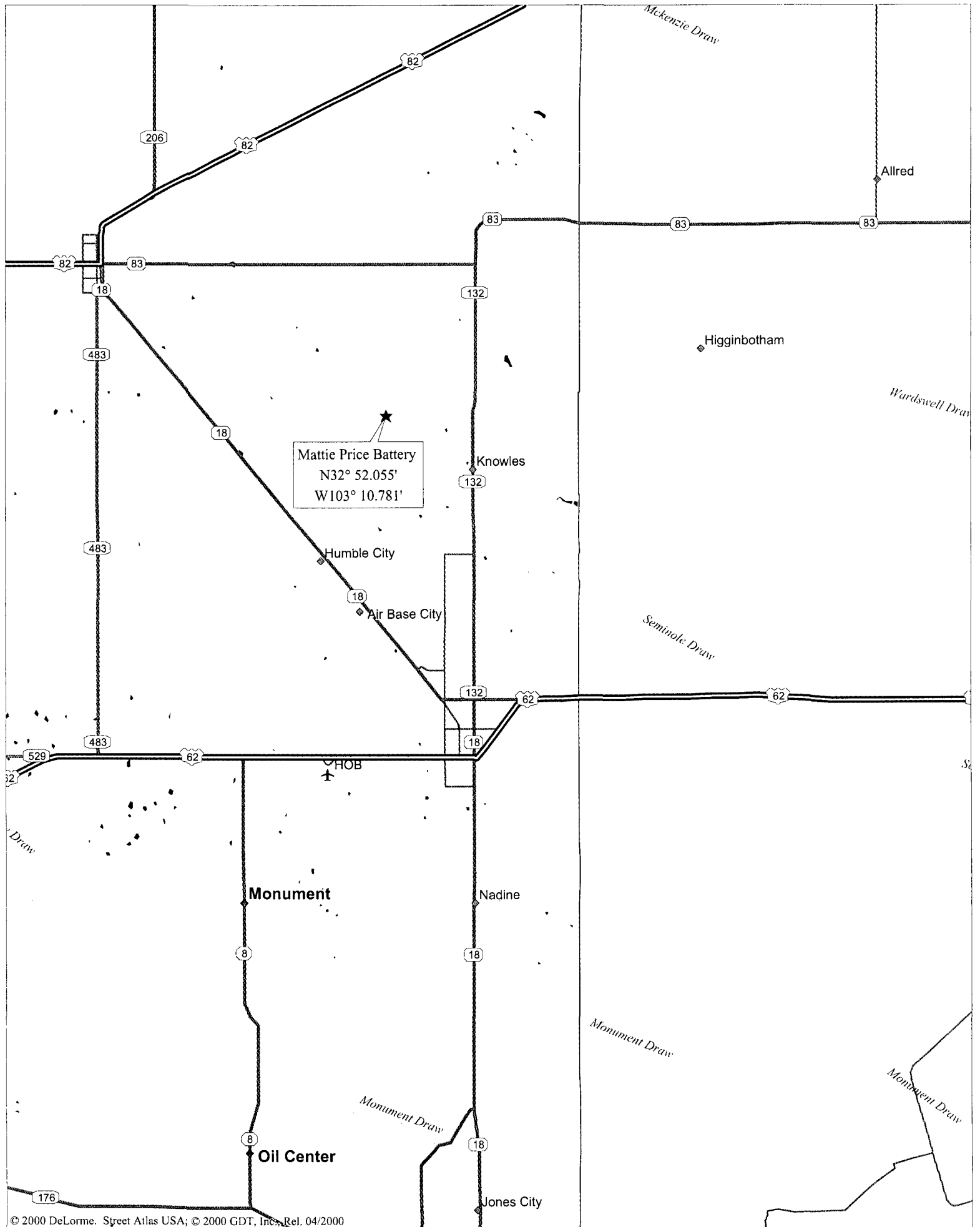


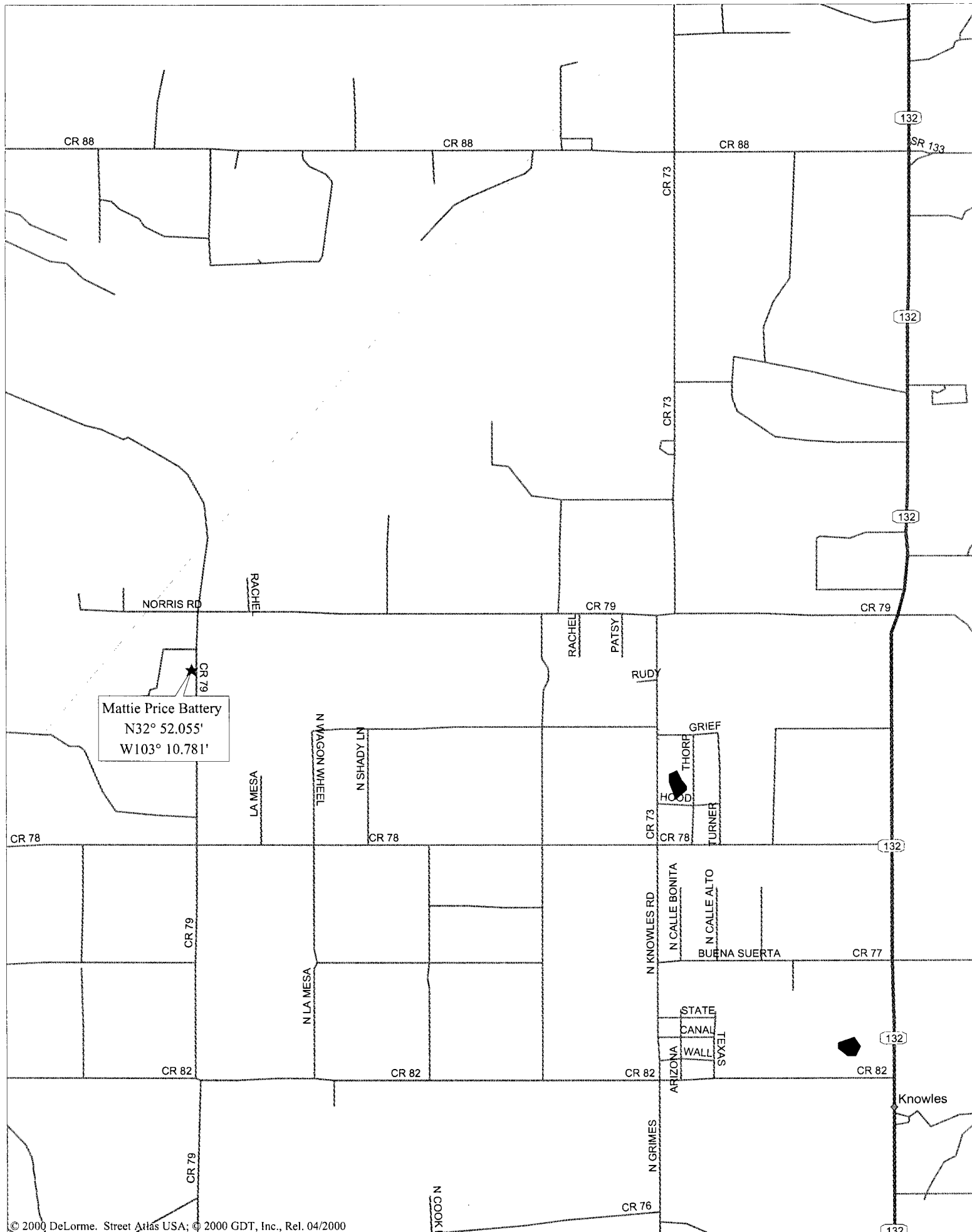
1R - 421

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**  
2005-2004



Mattie Price Battery  
N32° 52.055'  
W103° 10.781'



**Ford, Jack, EMNRD**

---

**From:** Deb Pennington [dlambertson@sbcglobal.net]  
**Sent:** Tuesday, November 08, 2005 9:31 AM  
**To:** Ford, Jack, EMNRD  
**Subject:** Mattie Price Tank Battery

Jack...how would Dec 1<sup>st</sup> be for you to meet us at the Mattie Price Tank Battery? I spoke with Shawn, and he is available that day. It is likely that both Shawn and myself and two people from Osborn Heirs will be there to meet with you.

If that day works, would 1:00 pm be ok, or do you have a preferred time?

Deb Pennington  
(432) 689-8675 (o)  
(432) 689-7785 (f)  
(713) 806-7264 (c)

*This message is for the addressee only. It may be confidential, and may include communications protected by the attorney-client privilege, work product protected from discovery in litigation, or inside information regarding business transactions. Unauthorized use, disclosure or copying is prohibited and may be unlawful. If you have received this message in error, please call me at (713) 806-7264 and delete this message from your system.*

11/16/2005

October 19, 2005

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

RE: Osborn Heirs Co.  
Mattie Price Tank Battery  
Remediation Work Plan

Mr. Ford:

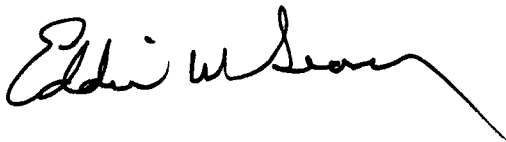
At the request of the landowner, Mr. Berry, I have inspected and reviewed the remediation and work plan for Osborn Heirs. It appears from the inspection that they have had a number of leaks and little or no remediation has occurred. Photos show saturated oil around the East tanks, the separator and on the location and pasture near well #2. Well #2 is only about 300 ft. from the windmill noted in Osborn report.

I think the 1000 ppm TPH cleanup level needs to be amended to 100 ppm TPH, due to the close proximity to houses and may down gradient water wells.

After you have reviewed the photographs and the attached spill reports, you may reconsider.

Call if you have any questions.

Sincerely,



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

cc: P. Berry





DISTRICT I  
P.O.Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

### OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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OFFICE IN ACCORDANCE  
WITH RULE 116 PRINTED  
ON BACK SIDE OF FORM

#### NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

|   |           |              |             |   |   |             |                              |               |
|---|-----------|--------------|-------------|---|---|-------------|------------------------------|---------------|
| OPERATOR<br>Osborn Heirs Company  |           |              |             |   | ADDRESS<br>Box 17968, San Antonio, TX 78286 (512)                         |             | TELEPHONE #<br>826-0700      |               |
| REPORT OF   | FIRE      | BREAK        | SPILL<br>X  | LEAK  | BLOWOUT   | OTHER*      |                              |               |
| TYPE OF FACILITY  | DRLG WELL | PROD WELL    | TANK BTRY X | PIPE LINE   | GASO PLNT   | OIL RFY     | OTHER*                       |               |
| FACILITY NAME: Mattie Price Tank Battery  |           |              |             |   |   |             |                              |               |
| LOCATION OF FACILITY  |           |              |             |   | SEC.<br>6   | TWP.<br>17S | RGE.<br>38E                  | COUNTY<br>Lea |
| Qtr/Qtr Sec. or Footage<br>NE/4 NE/4  |           |              |             |   |   |             |                              |               |
| DISTANCE AND DIRECTION FROM NEAREST TOWN OR PROMINENT LANDMARK<br>@ 10 miles north from Hobbs, New Mexico   |           |              |             |   |   |             |                              |               |
| DATE AND HOUR OF OCCURRENCE<br>11/17/91 @ 4:00 am   |           |              |             |   | DATE AND HOUR OF DISCOVERY<br>11/17/91 @ 7:30 am                          |             |                              |               |
| WAS IMMEDIATE NOTICE GIVEN?   |           | YES          | NO<br>X     | NOT RE-QUIRED                                       | IF YES, Bonnie Prichard<br>TO WHOM New Mexico Oil Conservation Commission |             |                              |               |
| BY WHOM<br>Gary Cunningham  |           |              |             |   | DATE AND HOUR<br>11/20/91 @ 8:30 am                                       |             |                              |               |
| TYPE OF FLUID LOST<br>crude oil/saltwater   |           |              |             |   | QUANTITY OF LOSS<br>2580/80 BBL   |             | VOLUME RE-COVERED<br>90 bbls |               |
| DID ANY FLUIDS REACH A WATERCOURSE?   |           | YES          | NO<br>X     | QUANTITY  |   |             |                              |               |
| IF YES, DESCRIBE FULLY**  |           |              |             |   |   |             |                              |               |
|   |           |              |             |   |   |             |                              |               |
| DESCRIBE CAUSE OF PROBLEM AND REMEDIAL ACTION TAKEN**<br>Leak developed in header piping at the connection of well #1.<br>Shut down production and replaced piping to tank manifold.  |           |              |             |   |   |             |                              |               |
| DESCRIBE AREA AFFECTED AND CLEANUP ACTION TAKEN**<br>Majority of spill confined to caliche pad at the tank battery with some overflow into grass pasture south of the tank battery. Contacted vacuum service to remove liquids. <del>Removed 4" of top soil from affected area and transferred to bio-remediation site at the tank battery.</del> |           |              |             |   |   |             |                              |               |
| DESCRIPTION OF AREA   | FARMING   | GRAZING<br>X | URBAN       | OTHER*  |   |             |                              |               |
| SURFACE CONDITIONS  | SANDY     | SANDY LOAM   | CLAY        | ROCKY<br>X  | WET   | DRY<br>X    | SNOW                         |               |
| DESCRIBE GENERAL CONDITIONS PREVAILING (TEMPERATURE, PRECIPITATION, ETC.)**<br>temperature = @ 60° F<br>no precipitation  |           |              |             |   |   |             |                              |               |
| HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF   |           |              |             |   |   |             |                              |               |
| SIGNED <i>Gary D. Cunningham</i>  |           |              |             | PRINTED NAME AND TITLE<br>Gary Cunningham, Engineer |   |             | DATE<br>12/6/91              |               |

\*SPECIFY

\*\*ATTACH ADDITIONAL SHEETS IF NECESSARY

**OSBORN HEIRS COMPANY**

P.O. Box 17968

San Antonio, Texas 78286

(512) 826-0700

**REPORT OF OIL, SALTWATER, AND CHEMICAL SPILL OR RELEASE**

|   |                          |  |            |                         |                                       |               |            |
|---|--------------------------|--|------------|-------------------------|---------------------------------------|---------------|------------|
| <b>FACILITY NAME</b>  |                          | <b>TYPE OF FACILITY</b>                    |            |                         |                                       |               |            |
| Mattie Price  |                          | Oil and Gas Production                     |            |                         |                                       |               |            |
| <b>FACILITY LOCATION (Footage or Qtr/Qtr Sec.)</b>  |                          | <b>SEC-TWP-RGE or SURVEY</b>               |            |                         |                                       |               |            |
| NE/4 NE/4   |                          | Sec 6-T17S-R38E                            |            |                         |                                       |               |            |
| <b>DISTANCE AND DIRECTION FROM NEAREST TOWN</b>   |                          | <b>COUNTY</b>                              |            |                         | <b>STATE</b>                          |               |            |
| @ 10 miles North from Hobbs, NM   |                          | Lea  |            |                         | New Mexico                            |               |            |
| <b>DATE and HOUR OF OCCURRENCE</b>  |                          | <b>DATE and HOUR DISCOVERED</b>            |            |                         | <b>DURATION OF RELEASE (if known)</b> |               |            |
| 7-17-92   |                          | 7-18-92 8:05 am                            |            |                         | unknown                               |               |            |
| <b>SUBSTANCE RELEASED</b>   | <b>QUANTITY RELEASED</b> | <b>QUANTITY RECOVERED</b>                  | <b>MIX</b> | <b>PURE</b>             | <b>SOLID</b>                          | <b>LIQUID</b> | <b>GAS</b> |
| saltwater   | 24 barrels               | 0  | X          |                         |                                       | X             |            |
| crude oil   | 2 barrels                | 0  | X          |                         |                                       | X             |            |
| <b>MEDIA INTO WHICH RELEASE OCCURED (sandy, rocky, clay, caliche, cultivated, pasture, inclined, flat, dry, wet)</b>  |                          | <b>DID DISCHARGE REACH SURFACE WATERS?</b> |            |                         |                                       |               |            |
| Flat, dry, caliche tank battery pad. No precipitation at time of release.<br>Temperature @ 73 F.  |                          | NO   |            |                         |                                       |               |            |
| <b>DESCRIPTION OF SOURCE OF RELEASE AND IMMEDIATE ACTION TAKEN</b>  |                          |  |            |                         |                                       |               |            |
| Free water knockout vessel developed small hole releasing contents onto caliche pad.<br>Vessel was immediately by-passed upon discovery of spill.                             |                          |  |            |                         |                                       |               |            |
| <b>SUBSEQUENT CLEANUP AND CONDITION OF AFFECTED AREA</b>  |                          |  |            |                         |                                       |               |            |
| <del>Oil contaminated soil will be removed and transported to active, on lease, bio-remediation site.</del><br>Clean material will be delivered to replace contaminated soil. |                          |  |            |                         |                                       |               |            |
| <b>STATE AND FEDERAL AGENCIES NOTIFIED</b>  |                          | <b>INDIVIDUAL GIVEN NOTIFICATION</b>       |            | <b>DATE</b>             | <b>TELEPHONE NO</b>                   |               |            |
| New Mexico Oil Conservation Division  |                          | Bonnie Prichard                            |            | 7-20-92                 | (505) 393-6161                        |               |            |
|   |                          |  |            |                         |                                       |               |            |
|   |                          |  |            |                         |                                       |               |            |
|   |                          |  |            |                         |                                       |               |            |
| <b>INDIVIDUAL PROVIDING NOTIFICATION</b>  |                          | <b>TITLE</b>                               |            | <b>TELEPHONE NUMBER</b> |                                       |               |            |
| Roger Graves  |                          | Pumper                                     |            | (505) 397-8323          |                                       |               |            |
| <b>PREPARED BY</b>  | <b>TITLE</b>             | <b>SIGNED</b>                              |            |                         | <b>DATE</b>                           |               |            |
| Gary Cunningham   | Engineer                 | <i>Gary A. Cunningham</i>                  |            |                         | 7-20-92                               |               |            |



OIL CONSERVATION DIVISION  
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'92 SEP 28 PM 9 25

OSBORN HEIRS COMPANY

P.O. Box 17968

San Antonio, Texas 78286

(512) 826-0700

# REPORT OF OIL, SALTWATER, AND CHEMICAL SPILL OR RELEASE

|   |                          |                                       |                                |                  |       |                                     |     |
|---|--------------------------|---------------------------------------|--------------------------------|------------------|-------|-------------------------------------|-----|
| FACILITY NAME   |                          | TYPE OF FACILITY                      |                                |                  |       |                                     |     |
| Mattie Price #3   |                          | Oil Production                        |                                |                  |       |                                     |     |
| FACILITY LOCATION (Footage or Qtr/Qtr Sec.)   |                          | SEC-TWP-RGE or SURVEY                 |                                |                  |       |                                     |     |
| NE/4 SE/4 (Unit 1)  |                          | Sec 6-T17S-R38E (2300 FSL & 990' FEL) |                                |                  |       |                                     |     |
| DISTANCE AND DIRECTION FROM NEAREST TOWN  |                          | COUNTY                                |                                | STATE            |       |                                     |     |
| @ 10 miles North from Hobbs, NM   |                          | Lea                                   |                                | New Mexico       |       |                                     |     |
| DATE and HOUR OF OCCURRENCE   | DATE and HOUR DISCOVERED |                                       | DURATION OF RELEASE (if known) |                  |       |                                     |     |
| 9-16-92   | 9-17-92                  |                                       |                                |                  |       |                                     |     |
| SUBSTANCE RELEASED  | QUANTITY RELEASED        | QUANTITY RECOVERED                    | MIX                            | PURE             | SOLID | LIQUID                              | GAS |
| Produced Crude Oil  | 5                        |                                       | X                              |                  |       |                                     |     |
| Produced Saltwater  | 10                       |                                       | X                              |                  |       |                                     |     |
| MEDIA INTO WHICH RELEASE OCCURED (sandy, rocky, clay, caliche, cultivated, pasture, inclined, flat, dry, wet) |                          |                                       |                                |                  |       | DID DISCHARGE REACH SURFACE WATERS? |     |
| Caliche pad around well.  |                          |                                       |                                |                  |       | no                                  |     |
| DESCRIPTION OF SOURCE OF RELEASE AND IMMEDIATE ACTION TAKEN   |                          |                                       |                                |                  |       |                                     |     |
| Flowline developed leak. Upon discovery, isolated line.   |                          |                                       |                                |                  |       |                                     |     |
| SUBSEQUENT CLEANUP AND CONDITION OF AFFECTED AREA   |                          |                                       |                                |                  |       |                                     |     |
| Scooped contaminated soil in pile.  |                          |                                       |                                |                  |       |                                     |     |
| STATE AND FEDERAL AGENCIES NOTIFIED   |                          | INDIVIDUAL GIVEN NOTIFICATION         |                                | DATE             |       | TELEPHONE NO                        |     |
| New Mexico Oil Conservation Division  |                          | Bonnie Prichard                       |                                | 9-18-92          |       | (505) 393-6161                      |     |
|   |                          |                                       |                                |                  |       |                                     |     |
|   |                          |                                       |                                |                  |       |                                     |     |
|   |                          |                                       |                                |                  |       |                                     |     |
| INDIVIDUAL PROVIDING NOTIFICATION   |                          | TITLE                                 |                                | TELEPHONE NUMBER |       |                                     |     |
| Roger Graves  |                          | Pumper                                |                                | (505) 397-0306   |       |                                     |     |
| PREPARED BY   | TITLE                    | SIGNED                                |                                | DATE             |       |                                     |     |
| Gary Cunningham   | Engineer                 |                                       |                                | 9-18-92          |       |                                     |     |

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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ON BACK SIDE OF FORM

### NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

|   |           |  |              |                                 |  |   |                             |                              |
|---|-----------|--|--------------|---------------------------------|--|---|-----------------------------|------------------------------|
| OPERATOR<br>Osborn Heirs Company  |           |  |              |                                 |  | ADDRESS<br>P. O. Box 17968, San Antonio, TX 78286 |                             | TELEPHONE #<br>(210)826-0700 |
| REPORT OF   | FIRE      | BREAK  | SPILL<br>X   | LEAK                            | BLOWOUT                                      | OTHER*  |                             |                              |
| TYPE OF FACILITY  | DRLG WELL | PROD WELL  | TANK BTRY X  | PIPE LINE                       | GASO PLNT                                    | OIL RFY   | OTHER*                      |                              |
| FACILITY NAME: Mattie Price Tank Battery  |           |  |              |                                 |  |   |                             |                              |
| LOCATION OF FACILITY<br>Qtr/Qtr Sec. or Footage NE/4 NE/4   |           |  |              |                                 |  | SEC. 6  | TWP. 17S                    | RGE. 38E                     |
| COUNTY Lea  |           |  |              |                                 |  |   |                             |                              |
| DISTANCE AND DIRECTION FROM NEAREST TOWN OR PROMINENT LANDMARK @ 10 miles north from Hobbs, New Mexico  |           |  |              |                                 |  |   |                             |                              |
| DATE AND HOUR OF OCCURRENCE 8/13/94 early a.m.  |           |  |              |                                 | DATE AND HOUR OF DISCOVERY 8/13/94 8:00 a.m. |   |                             |                              |
| WAS IMMEDIATE NOTICE GIVEN?   |           | YES X  | NO           | NOT REQUIRED                    | IF YES, TO WHOM Virdee                       |   |                             |                              |
| BY WHOM Gary Cunningham   |           |  |              |                                 | DATE AND HOUR 8/13/94                        |   |                             |                              |
| TYPE OF FLUID LOST crude oil  |           |  |              |                                 | QUANTITY OF LOSS 63 barrels                  |   | VOLUME RECOVERED 55 barrels |                              |
| DID ANY FLUIDS REACH A WATERCOURSE?   |           | YES  | NO X         | QUANTITY                        |  |   |                             |                              |
| IF YES, DESCRIBE FULLY**  |           |  |              |                                 |  |   |                             |                              |
| DESCRIBE CAUSE OF PROBLEM AND REMEDIAL ACTION TAKEN**<br>Storage tank #950285 developed corrosion hole releasing crude into secondary containment area. Pumper mobilized vacuum service to collect all recoverable oil & return to storage tank. Vacuum truck transferred oil from faulty tank. |           |  |              |                                 |  |   |                             |                              |
| DESCRIBE AREA AFFECTED AND CLEANUP ACTION TAKEN**<br>TPH content in affected soil is less than 1%. Prepared soil for natural bioremediation.<br><i>This is Texas Rule 71</i>  |           |  |              |                                 |  |   |                             |                              |
| DESCRIPTION OF AREA   | FARMING   | GRAZING  | URBAN        | OTHER* flat caliche inside berm |  |   |                             |                              |
| SURFACE CONDITIONS  | SANDY     | SANDY LOAM                                       | CLAY caliche | ROCKY                           | WET  | DRY X   | SNOW                        |                              |
| DESCRIBE GENERAL CONDITIONS PREVAILING (TEMPERATURE, PRECIPITATION, ETC.)**<br>Temperature @ 80° F<br>No precipitation  |           |  |              |                                 |  |   |                             |                              |
| I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF   |           |  |              |                                 |  |   |                             |                              |
| SIGNED <i>Gary A. Cunningham</i>  |           | PRINTED NAME AND TITLE Gary Cunningham, Engineer |              |                                 | DATE 12/05/94                                |   |                             |                              |

**OSBORN HEIRS COMPANY**  
**P.O. Box 17968**  
**San Antonio, Texas 78286**  
**(210) 826-0700**

## REPORT OF OIL, SALTWATER, AND/OR CHEMICAL SPILL

|  |                          |                                   |   |                                       |              |
|--|--------------------------|-----------------------------------|---|---------------------------------------|--------------|
| <b>FACILITY NAME</b>   |                          | <b>API NUMBER</b>                 |   | <b>TYPE OF FACILITY</b>               |              |
| Mattie Price Well #2   |                          | 30-025-23490                      |   | Producing Oil Well                    |              |
| <b>FACILITY LOCATION (Footage or Quarter/Quarter Section)</b>  |                          |                                   | <b>SECTION/TOWNSHIP/RANGE or SECTION, BLOCK, SURVEY, ABSTRACT</b> |                                       |              |
| SE/4 NE/4  |                          |                                   | Section 6-T17S-R38E   |                                       |              |
| <b>DISTANCE AND DIRECTION FROM NEAREST TOWN</b>  |                          |                                   | <b>COUNTY</b>   |                                       | <b>STATE</b> |
| @ 10 miles north from Hobbs  |                          |                                   | Lea   |                                       | New Mexico   |
| <b>DATE and HOUR OF OCCURRENCE</b>   |                          | <b>DATE and HOUR OF DISCOVERY</b> |   | <b>DID SPILL REACH SURFACE WATER?</b> |              |
| 04-03-95 10:00 am  |                          | 04-03-95 1:30 pm                  |   | NO                                    |              |
| <b>SUBSTANCE RELEASED</b>  | <b>QUANTITY RELEASED</b> | <b>QUANTITY RECOVERED</b>         | <b>NET LOSS</b>   | <b>HAZARDOUS WASTE?</b>               |              |
| crude oil  | 2 barrels                | 1 barrel                          | 1 barrel  | NO                                    |              |
| produced saltwater   | 3 barrels                | 0 barrels                         | 3 barrels   | NO                                    |              |
| <b>DESCRIPTION OF SURFACE AREA AFFECTED (sandy, clay, caliche, cultivated, pasture, flat, inclined, dry, raining, frozen, etc.)</b>  |                          |                                   |   |                                       |              |
| dry, flat, caliche pad around wellhead   |                          |                                   |   |                                       |              |
| <b>DESCRIPTION OF SOURCE AND IMMEDIATE ACTION TAKEN</b>  |                          |                                   |   |                                       |              |
| Polished rod liner broke causing stuffing box to leak. Pumper shut down pumping unit upon discovery of leak.<br>Mobilized vacuum truck to collect free liquids from surface and return to storage tanks. |                          |                                   |   |                                       |              |
| <b>SUBSEQUENT CLEANUP AND CONDITION OF AFFECTED AREA</b>   |                          |                                   |   |                                       |              |
| <del>Mixed soil in place with fresh soil. Prepared site for natural bioremediation.</del>  |                          |                                   |   |                                       |              |
| <b>STATE AND FEDERAL AGENCIES NOTIFIED</b>   |                          | <b>INDIVIDUAL NOTIFIED</b>        | <b>DATE</b>   | <b>TELEPHONE NUMBER</b>               |              |
| New Mexico Oil Conservation Division   |                          | Donna                             | 04-04-95  | 505-393-6161                          |              |
|  |                          |                                   |   |                                       |              |
|  |                          |                                   |   |                                       |              |
|  |                          |                                   |   |                                       |              |
| <b>INDIVIDUAL PROVIDING NOTIFICATION OF RELEASE</b>  |                          | <b>TITLE</b>                      |   | <b>TELEPHONE NUMBER</b>               |              |
| Roger Graves   |                          | Pumper                            |   | 505-397-0306                          |              |
| <b>PREPARED BY</b>   | <b>TITLE</b>             | <b>SIGNED</b>                     | <b>DATE</b>   |                                       |              |
| Gary Cunningham  | Engineer                 | <i>Gary D. Cunningham</i>         | 04-04-95  |                                       |              |

CC: NMOCD & well file

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

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#### NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

|   |           |  |                  |                |   |             |                             |               |
|---|-----------|--|------------------|----------------|---|-------------|-----------------------------|---------------|
| OPERATOR<br>Osborn Heirs Company  |           |  |                  |                | ADDRESS P.O. Box 17968<br>San Antonio, TX 78286 |             | TELEPHONE #<br>210-826-0700 |               |
| REPORT OF   | FIRE      | BREAK  | SPILL<br>X       | LEAK           | BLOWOUT   | OTHER*      |                             |               |
| TYPE OF FACILITY  | DRLG WELL | PROD WELL  | TANK BTRY X      | PIPE LINE      | GASO PLNT                                       | OIL RFY     | OTHER*                      |               |
| FACILITY NAME: Mattie Price Tank Battery  |           |  |                  |                |   |             |                             |               |
| LOCATION OF FACILITY<br>Qtr Sec. or Footage NE/4 NE/4   |           |  |                  |                | SEC.<br>6                                       | TWP.<br>17S | RGE.<br>38E                 | COUNTY<br>Lea |
| DISTANCE AND DIRECTION FROM NEAREST TOWN OR PROMINENT LANDMARK @ 10 miles north from Hobbs, New Mexico  |           |  |                  |                |   |             |                             |               |
| DATE AND HOUR OF OCCURRENCE 2/21/95 @ 2:30 pm   |           |  |                  |                | DATE AND HOUR OF DISCOVERY 2/21/95 @ 5:00 pm    |             |                             |               |
| WAS IMMEDIATE NOTICE GIVEN?   |           | YES  | NO X             | NOT REQUIRED   | IF YES, TO WHOM Bonnie Prichard                 |             |                             |               |
| BY WHOM Gary Cunningham   |           |  |                  |                | DATE AND HOUR 2/22/95 @ 11:35 am                |             |                             |               |
| TYPE OF FLUID LOST crude oil & produced saltwater   |           |  |                  |                | QUANTITY OF LOSS 88 barrels                     |             | VOLUME RECOVERED 60 barrels |               |
| DID ANY FLUIDS REACH A WATERCOURSE?   |           | YES  | NO X             | QUANTITY       |   |             |                             |               |
| IF YES, DESCRIBE FULLY**  |           |  |                  |                |   |             |                             |               |
| DESCRIBE CAUSE OF PROBLEM AND REMEDIAL ACTION TAKEN**<br>Corrosion hole developed in 3" steel nipple connected to dump valve on heater treater, releasing fluid into secondary containment area. Spilled @ 53 barrels oil and 35 barrels saltwater. Pumper shut down production and mobilized vacuum service. |           |  |                  |                |   |             |                             |               |
| DESCRIBE AREA AFFECTED AND CLEANUP ACTION TAKEN**<br>Vacuum truck collected @ 50 barrels oil and 10 barrels saltwater. Replaced faulty nipple and resumed normal operations. Will prepare soil for enhanced bioremediation.   |           |  |                  |                |   |             |                             |               |
| DESCRIPTION OF AREA   | FARMING   | GRAZING  | URBAN            | OTHER* pasture |   |             |                             |               |
| SURFACE CONDITIONS  | SANDY     | SANDY LOAM                                       | CLAY X (caliche) | ROCKY          | WET   | DRY X       | SNOW                        |               |
| DESCRIBE GENERAL CONDITIONS PREVAILING (TEMPERATURE, PRECIPITATION, ETC.)**<br>Temperature @ 55° F<br>No precipitation  |           |  |                  |                |   |             |                             |               |
| I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF   |           |  |                  |                |   |             |                             |               |
| SIGNED Gary A. Cunningham   |           | PRINTED NAME AND TITLE Gary Cunningham, Engineer |                  | DATE 2/22/95   |   |             |                             |               |

\*SPECIFY

\*\*ATTACH ADDITIONAL SHEETS IF NECESSARY

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

SUBMIT 2 COPIES TO  
APPROPRIATE DISTRICT  
OFFICE IN ACCORDANCE  
WITH RULE 116 PRINTED  
ON BACK SIDE OF FORM

## NOTIFICATION OF FIRE, BREAKS, SPILLS, LEAKS, AND BLOWOUTS

|   |           |            |                  |  |             |                               |               |
|---|-----------|------------|------------------|--|-------------|-------------------------------|---------------|
| OPERATOR<br>OSBORN HEIRS COMPANY  |           |            |                  | ADDRESS P. O. BOX 17968<br>SAN ANTONIO, TX 78286 |             | TELEPHONE #<br>(210) 826-0700 |               |
| REPORT OF   | FIRE      | BREAK      | SPILL<br>X       | LEAK   | BLOWOUT     | OTHER*                        |               |
| TYPE OF FACILITY  | DRLG WELL | PROD WELL  | TANK BTRY X      | PIPE LINE  | GASO PLNT   | OIL RFY                       | OTHER*        |
| FACILITY NAME: MATTIE PRICE   |           |            |                  |  |             |                               |               |
| LOCATION OF FACILITY<br>Qtr/Qtr Sec. or Footage NE/4 NE/4   |           |            |                  | SEC.<br>6  | TWP.<br>17S | RGE.<br>38E                   | COUNTY<br>LEA |
| DISTANCE AND DIRECTION FROM NEAREST TOWN OR PROMINENT LANDMARK @ 10 MILES NORTH FROM HOBBS  |           |            |                  |  |             |                               |               |
| DATE AND HOUR OF OCCURRENCE 2/7/96 8:00 AM  |           |            |                  | DATE AND HOUR OF DISCOVERY 2/7/96 9:00 AM        |             |                               |               |
| WAS IMMEDIATE NOTICE GIVEN?   |           | YES        | NO X             | IF YES, TO WHOM BONNIE PRICHARD                  |             |                               |               |
| BY WHOM GARY CUNNINGHAM   |           |            |                  | DATE AND HOUR 2/8/96                             |             |                               |               |
| TYPE OF FLUID LOST CRUDE OIL  |           |            |                  | QUANTITY OF LOSS 18 BARRELS                      |             | VOLUME RECOVERED 8 BARRELS    |               |
| DID ANY FLUIDS REACH A WATERCOURSE?   |           | YES        | NO X             | QUANTITY   |             |                               |               |
| IF YES, DESCRIBE FULLY**  |           |            |                  |  |             |                               |               |
| DESCRIBE CAUSE OF PROBLEM AND REMEDIAL ACTION TAKEN**<br>A steel 1/2" pipe connected to gas volume vessel corroded in the thread area releasing pressure to the heater treater. Treater overflowed into volume vessel releasing crude oil into secondary containment. By-passed heater and called vacuum truck to collect free oil. |           |            |                  |  |             |                               |               |
| DESCRIBE AREA AFFECTED AND CLEANUP ACTION TAKEN**<br>Replaced faulty pipe on gas volume vessel with new connection. <del>Blended soil to reduce TPH and prepared soil for bioremediation.</del>   |           |            |                  |  |             |                               |               |
| DESCRIPTION OF AREA   | FARMING   | GRAZING    | URBAN            | OTHER* PASTURE                                   |             |                               |               |
| SURFACE CONDITIONS  | SANDY     | SANDY LOAM | CLAY X (CALICHE) | ROCKY  | WET         | DRY X                         | SNOW          |
| DESCRIBE GENERAL CONDITIONS PREVAILING (TEMPERATURE, PRECIPITATION, ETC.)**<br>Temperature @ 58° F.<br>No precipitation.  |           |            |                  |  |             |                               |               |
| I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF   |           |            |                  |  |             |                               |               |

SIGNED

*Gary D. Cunningham*

PRINTED NAME GARY CUNNINGHAM  
AND TITLE ENGINEER

DATE 2/9/96

\*SPECIFY

\*\*ATTACH ADDITIONAL SHEETS IF NECESSARY

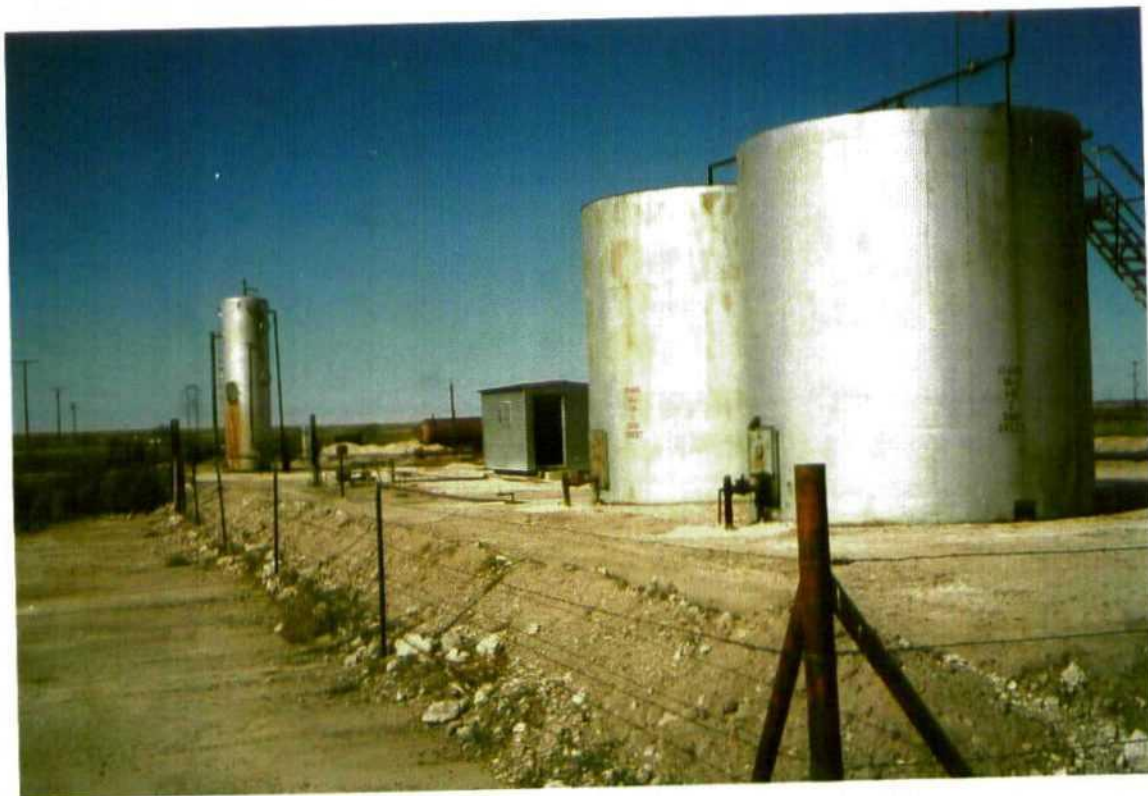


11-12-05





11-12-05





11-12-05





11-12-05





11-12-05





Week of  
Nov 7th





Week of  
Nov. 7th





Week of  
Nov. 7th





OSBORN HEIR'S CO.  
WATTIE PRICE TANK BATTERY A  
WEST GARRETT DEVONIAN POOL  
NE 1/4 NE 1/4 SEC. 6 - T17 S - R38 E  
LEA COUNTY, NEW MEXICO

















FOSBURN HEIRS CUM

MATTIE PRICE No 2

WEST GARRETT DEVONIAN POOL  
SE $\frac{1}{4}$  NE $\frac{1}{4}$  SEC. 6 - T 17 S - R 38 E  
LEA COUNTY, NEW MEXICO











*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)

October 7, 2005

New Mexico Oil Conservation Division  
Jack Ford  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Mattie Price Tank Battery Phase II ESA/Osborn Heirs Company**

Dear Mr. Ford,

Please be advised that this firm represents Mr. Phillip Berry regarding the above referenced matter. Mr. Berry recently received the above referenced Supplement Site Investigation Report and Remediation Work Plan.

I am writing this letter to inform you that Mr. Berry objects to the Investigation Report and the Remediation Work Plan. Mr. Berry has hired a consultant to review the Report and Plan and expects to conduct a sampling event(s) in the very near future. Notice of any sampling event(s) will be given to yourself and Kane Environmental Engineering. In addition, a detailed written objection to the Report and the Plan will follow shortly.

I am requesting that you take no further action to approve the Report or the Plan until Mr. Berry has had a reasonable time to evaluate the site at issue, the Report, the Plan and respond accordingly.

If you should have any questions, please do not hesitate to contact me.

Sincerely,

**HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

By:

  
**Patrick B. McMahon**

2005 OCT 13 PM 2:37

*Letter to Jack Ford*  
*October 7, 2005*  
Page 2

PBM:jo  
cc: Phillip Berry  
Kane Environmental

## LAW OFFICES

## HEIDEL, SAMBERSON, NEWELL, COX &amp; MCMAHON

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

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TELEPHONE (505) 396-5303  
FAX (505) 396-5305

F.L. HEIDEL  
(1913-1985)

TELECOPY TRANSMITTAL SHEET

## CONFIDENTIALITY NOTE

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED BELOW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, OR COPY OF THIS TELECOPY IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TELECOPY IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS SET FORTH ABOVE VIA THE UNITED STATES POSTAL SERVICE.

\*\*\*\*\*

DATE: October 7, 2005

TIME: 3:43

TO: Jack Ford

FAX: 505-476-3462

FR: Patrick McMahon

RE: Mattie Price Tank Battery Phase II ESA/Osborn Heirs Company

YOU SHOULD RECEIVE 3 PAGE(S) OF COPY, INCLUDING THIS COVER PAGE. PLEASE NOTIFY US IMMEDIATELY AT (505) 396-5303 IF NOT RECEIVED PROPERLY.


☒ FOR YOUR INFORMATION/RECORDS      ☐ PER YOUR REQUEST  
☐ AS WAS DISCUSSED                      ☐ FOR YOUR COMMENTS  
☐ FOR YOUR REVIEW                        ☐ PLEASE CALL ABOUT THIS

If you should have any questions, please do not hesitate to call me.

IF CHECKED ORIGINAL WILL BE FORWARDED TO YOU BY:  
☐ FEDERAL EXPRESS      ☒ REGULAR MAIL

THANK YOU,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By:   
Julie Ontiveros Secretary for,  
Patrick B. McMahon

*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)

October 7, 2005

New Mexico Oil Conservation Division  
Jack Ford  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Mattie Price Tank Battery Phase II ESA/Osborn Heirs Company**

Dear Mr. Ford,

Please be advised that this firm represents Mr. Phillip Berry regarding the above referenced matter. Mr. Berry recently received the above referenced Supplement Site Investigation Report and Remediation Work Plan.

I am writing this letter to inform you that Mr. Berry objects to the Investigation Report and the Remediation Work Plan. Mr. Berry has hired a consultant to review the Report and Plan and expects to conduct a sampling event(s) in the very near future. Notice of any sampling event(s) will be given to yourself and Kane Environmental Engineering. In addition, a detailed written objection to the Report and the Plan will follow shortly.

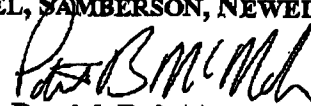
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Sincerely,

**HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

By:

  
Patrick B. McMahon



*Letter to Jack Ford*  
*October 7, 2005*  
Page 2

PBM:jo  
cc: Phillip Berry  
Kane Environmental

# TRANSACTION REPORT

P.01

OCT-07-2005 FRI 03:54 PM

FOR:

RECEIVE

| DATE   | START    | SENDER     | RX TIME | PAGES | TYPE    | NOTE | M# | DP |
|--------|----------|------------|---------|-------|---------|------|----|----|
| OCT-07 | 03:51 PM | 5053965305 | 2'07"   | 3     | RECEIVE | OK   |    |    |



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

April 18, 2005

Osborn Heirs company (Osborn)  
1250 NE Loop 410, Suite 110  
San Antonio, TX 78209

Re: **Mattie Price Tnak Battey Denial**

UL-?, Sec.1, T22S-R37E

Dated: March 2005: Kane Environmental Engineering, Inc., (Kane).

The New Mexico Oil Conservation Division (OCD) has reviewed the closure proposal submitted for Osborn by Kane, and referenced above. OCD **hereby denies** the proposal according to the information provided.

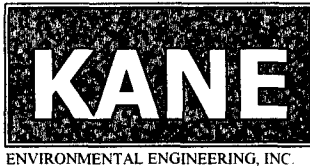
1. Osborn shall submit a copy of previous approval referenced and a C-141.
2. Osborn shall re-evaluate the ranking score and re-submit the plan accordingly.

If you have any questions or need any assistance call: (505) 393-6161 x113 or email: [psheeley@state.nm.us](mailto:psheeley@state.nm.us)

Sincerely,

Paul Sheeley-Environmental Engineer

Cc: Roger Anderson - Environmental Bureau Chief  
Chris Williams - District I Supervisor  
Larry Johnson - Environmental Engineer



March 25, 2005

Roger Anderson  
Oil Conservation Division  
1220 South St. Francis Drive  
Sante Fe, NM 87505

1R-421

***RE: Mattie Price Site Investigation Report and Supplemental Site Investigation Work Plan***

Enclosed please find the Site Investigation Report and Supplemental Site Investigation Work Plan for the Mattie Price Tank Battery. This facility is located in Lea County, New Mexico.

Please review and provide comments or concurrence with this Work Plan as described therein.

If you have any questions, please don't hesitate to give me a call at (432) 689-8675 or send me an e-mail at [debpennington@earthlink.net](mailto:debpennington@earthlink.net). Please forward all written correspondence for this site investigation plan to me at the following address:

Deb Pennington  
Kane Environmental Engineering, Inc.  
4713 Rosewood Dr.  
Midland, TX 79707

Sincerely,

*D. Pennington*

Deb Pennington

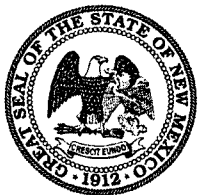
Enclosure

CC: With Enclosure:

Paul Sheeley  
Oil Conservation Division  
1625 N. French Dr  
Hobbs, NM 88240

Joyce Swayze, Osborne Heirs Company





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

February 9, 2005

Osborn Heirs Company (Osborn)  
1250 NE Loop 410, Suite 1100  
San Antonio, TX 78209

Re: Denial of Work Plan  
Price Tank Battery  
UL-?, Sec. 6-T17S-R38E  
(cover letter) Dated: January 31, 2005

The New Mexico Oil Conservation Division (OCD) reviewed the corrective action work plan submitted by Kane Environmental for Osborn. The plan is **hereby denied** for the following reasons.

1. Osborn submitted conflicting information as to hydrocarbon impact "up to 14 ft." At 15 ft. there are clearly significant PID readings. Past 15 ft. there is no more data required for vertical delineation. Please provide complete vertical delineation.
2. Osborn failed to notify OCD at least 48-hr. before sampling events.
3. Osborn must furnish Chain of Custody and laboratory report.
4. Osborn must submit written landowner approval for this work plan.
5. Osborn must have written approval from the OCD prior to applying ANY chemicals or fertilizer.

Osborn has until March 18, 2005 to submit an approved corrective work plan for this site and until April 8, 2005 to submit approved closure documentation.

If you have any questions or need assistance call (505) 393-6161, x113 or, <mailto:psheeley@state.nm.us>

Sincerely,

Paul Sheeley - Environmental Engineer

Cc: Roger Anderson - Environmental Bureau Chief

Chris Williams - District I Supervisor

Larry Johnson - Environmental Engr.

Deb Pennington - Kane Environmental <mailto:dlambertson@earthlink.net>



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

November 3, 2004

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

Ms. Deb Lambertson  
Kane Environmental Engineering, Inc.  
4713 Rosewood Drive  
Midland, Texas 79707

**RE: Mattie Price Site Investigation Plan  
Lea County, New Mexico**

Dear Ms. Lambertson:

The New Mexico Oil Conservation Division (OCD) received the Mattie Site Investigation Plan for the Mattie Price Tank Battery located in Section 6, Township 17 South, Range 38 East, NMPM, Lea County, New Mexico. The workplan, dated September 2004, was submitted by your company, Kane Environmental Engineering, Inc. on behalf of Osborne Heirs Company. **The Site Investigation plan is hereby approved, with the following conditions:**

- A copy of all of the workplan shall also be provided to the OCD Hobbs District Office to the attention of Mr. Paul Sheeley and notification provided to Mr. Sheeley at least 48 hours prior to commencement of work.
- All of the items listed in the workplan, dated September 2004, from Kane Environmental Engineering, Inc. on behalf of Osborne Heirs Company shall be adhered with during the Site Investigation process.
- Upon completion of the project a final report for the investigation shall be submitted to the Santa Fe OCD office for approval within 30 days of final review.

Note, that OCD approval does not limit Osborne Heirs Company to the work proposed should it later be found that contamination exists which is beyond the scope of this plan, or if Kane Environmental Engineering, Inc. has failed to completely define the extent of contamination. In addition, OCD approval does not relieve Osborne Heirs Company of responsibility for compliance with any other Federal, State, or other Local Laws and Regulations.

Ms. Deb Lambertson  
Kane Environmental Engineering, Inc.  
November 3, 2004  
Page 2

If you have any questions regarding this matter feel free to call me at (505)-476-3489.

Sincerely,

A handwritten signature in dark ink, appearing to read 'W. Jack Ford', is written over the typed name.

W. Jack Ford, C.P.G.  
Environmental Engineer  
Environmental Bureau, OCD

cc: OCD Hobbs District Office



September 22, 2004

Bill Olson  
Oil Conservation Division  
1220 South St. Francis Drive  
Sante Fe, NM 87505

RECEIVED  
SEP 23 2004  
Oil Conservation Division  
Environmental Bureau

***RE: Mattie Price Site Investigation Plan***

As requested by Osborne Heirs Company, Kane Environmental Engineering, Inc. is forwarding to you the enclosed Site Investigation Plan for the Mattie Price Tank Battery. This facility is located in Lea County, New Mexico.

This site investigation will be initiated upon receipt of your approval. If you have any questions, please don't hesitate to give me a call at (432) 689-8675 or send me an e-mail at [dlambertson@earthlink.net](mailto:dlambertson@earthlink.net). Please forward all written correspondence for this site investigation plan to me at the following address:

Deb Lambertson  
Kane Environmental Engineering, Inc.  
4713 Rosewood Dr.  
Midland, TX 79707

Sincerely,

A handwritten signature in cursive script that reads "D. Lambertson".

Deb Lambertson

Enclosure

CC: (without enclosure)  
Joyce Swayze, Osborne Heirs Company



# **Phase II ESA**

## **Site Investigation Plan**

### **Mattie Price Tank Battery**

**Lea County, New Mexico**

**September 2003**

*Prepared by:*



Kane Environmental Engineering, Inc.  
5307 Oakdale Creek Court  
Spring, Texas 77379  
Project No. 04-631

## TABLE OF CONTENTS

---

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| <b>2.0</b> | <b>SITE INVESTIGATION AND REPORT PREPARATION .....</b> | <b>3</b> |
| <b>3.0</b> | <b>QUALITY CONTROL.....</b>                            | <b>4</b> |

### FIGURES

**Figure 1 USGS Topographic Map, Mattie Price Tank Battery**

**Figure 2 R.E. Environmental Services, Inc. Sample Locations and Analyses Results**

**Figure 3 Proposed Sampling Schematic**

## 1.0 OVERVIEW

At the request of Osborne Heirs Company, Kane Environmental Engineering, Inc. (Kane Environmental) conducted a Phase I site assessment of the Mattie Price Tank Battery on August 26, 2004. As a result, this Site Investigation Plan has been developed to delineate the potential horizontal and vertical extent of impact from historical operations at the Mattie Price Tank Battery. This property is identified as being located in Section 6, T17S R38E, Lea County, New Mexico, at a global position of North 32° 52' 3.4", West 103° 10' 45.8". A topographic map of the location is shown as **Figure 1**.

Previous Phase I and Phase II Environmental Site Assessments (ESAs) that were performed by Larson & Associates, Inc. identified visual and olfactory evidence of hydrocarbon impacted soils, with this impact identified from the surface to depths of up to three feet (the point of auger refusal). Impacts were reported at the following locations:

- near the free water knockout
- at an area reported as a pit
- near the west end of the tank battery
- near the flare
- around the produced water injection points

No soil samples were submitted for laboratory analyses during the Phase II ESA. The depth to groundwater in the vicinity of the tank battery was reported to range between 80 and 100 feet below ground surface.

A second investigation was conducted by R.E. Environmental Services, Inc. This investigation consisted of four soil borings placed around the tank battery. Hydrocarbon impacted soils were reported at depths up to 14 feet, with a maximum reported concentration of 25,900 ppm TPH at a depth of 7.5' at Test Point A. All chloride concentrations from the four borings were reported below 250 ppm. See **Figure 2** for a depiction of these soil boring placements and sampling results.

Five surface soil samples were also collected at the tank battery and associated well locations. Chloride concentrations were generally 100 ppm, with a maximum of 300 ppm at Test Point D. This Test Point is adjacent to the injection well.

During the Kane Environmental ESA a windmill was identified approximately 954 ft. south-southeast from the tank battery. This windmill is reported to have a total well depth of 80 feet. Groundwater was reported in this ESA at a depth of 62 feet.

The windmill supplies water for a steel stock tank that is used for watering cattle. Overflow from the windmill collects in an earthen overflow pond, immediately south of

the stock tank. This overflow pond is located 1,030 feet south-southwest of the tank battery.

General drainage in this area is to the south-southeast. A ridge, or increase in elevation, occurs between the tank battery and the windmill/stock tank/overflow pond area, isolating the battery from the surface water along the northern exposure. The elevated county road completes the isolation of the surface water along the east side. See **Figure 1** for a depiction of the topographic features in this area.

The New Mexico Oil Conservation Guidelines for Remediation of Leaks, Spills and Releases utilize a site ranking criteria for determination of hydrocarbon remediation requirements. Based on this guidance and available information, this site is ranked as follows:

| Criterion                            | Measured Value | Ranking Score |
|--------------------------------------|----------------|---------------|
| Depth to groundwater                 | 50-99 ft       | 10            |
| Distance to surface water            | See Note 1     | 0             |
| Distance to wellhead protection area | See Note 2     | 0             |
| <b>Total Ranking Score</b>           |                | <b>10</b>     |

Note 1: The overflow pond is located 1,030' from the tank battery. In addition, a ridge provides a natural barrier between the tank battery and the overflow pond, precluding surface drainage from migrating from the tank battery area to the pond.

Note 2: The windmill is not located in a wellhead protection area.

The site sensitivity ranking for Mattie Price Tank Battery is rated at 10. This ranking score yields the following remediation thresholds:

| Constituent                  | Remediation Threshold |
|------------------------------|-----------------------|
| Total Petroleum Hydrocarbons | 1,000 ppm             |
| Benzene                      | 10 ppm                |
| BTEX                         | 50 ppm                |



## 2.0 SITE INVESTIGATION AND REPORT PREPARATION

Kane Environmental proposes the use of a Geoprobe® or other mobile drilling rig to advance soil borings surrounding Test Points (TP) A and B, as identified from the RE Environmental Services, Inc. investigation. A minimum of four borings will be performed, with the first two borings centered over the previously identified TP A and TP B borings. These borings will be labeled MPB-1 and MPB-2, respectively.

Each boring will be extended in the four cardinal directions with the distance between the central points (TP A or TP B) and the extended borings to be determined based on surface or subsurface equipment location and access constraints. The anticipated distance between borings is 10'.

The remaining two planned borings will be placed as depicted in Figure 3, and located as follows:

- MPB-3 Northwest of AST #1
- MPB-4 South of the AST #2

Field headspace readings will be collected on each 2-foot sample interval using a photo-ionization detector (PID). Sample collections and headspace readings will be conducted according to the procedures outlined in NMOCD's Guidelines for Remediation of Leaks, Spills and Releases. A threshold value of 100 ppm will be used to estimate compliance with these BTEX standards.

Total boring depth at each location will be determined based on visual observations of the soil profile, field headspace measurements, depth of groundwater and potential auger refusal.

In the event that field headspace measurements for any sample interval exceed the 100 ppm headspace threshold, additional borings will be collected from the location of impact in the three unexplored cardinal directions. Headspace measurements will be screened as described above, with horizontal advancement repeated until a headspace reading of <100 ppm is achieved.

Soil samples from the terminal depth interval and the interval with the maximum field headspace reading for each boring will be submitted to the laboratory for TPH-DRO, TPH-GRO and BTEX analyses. A background sample will also be submitted to the laboratory for analysis of the same constituents.

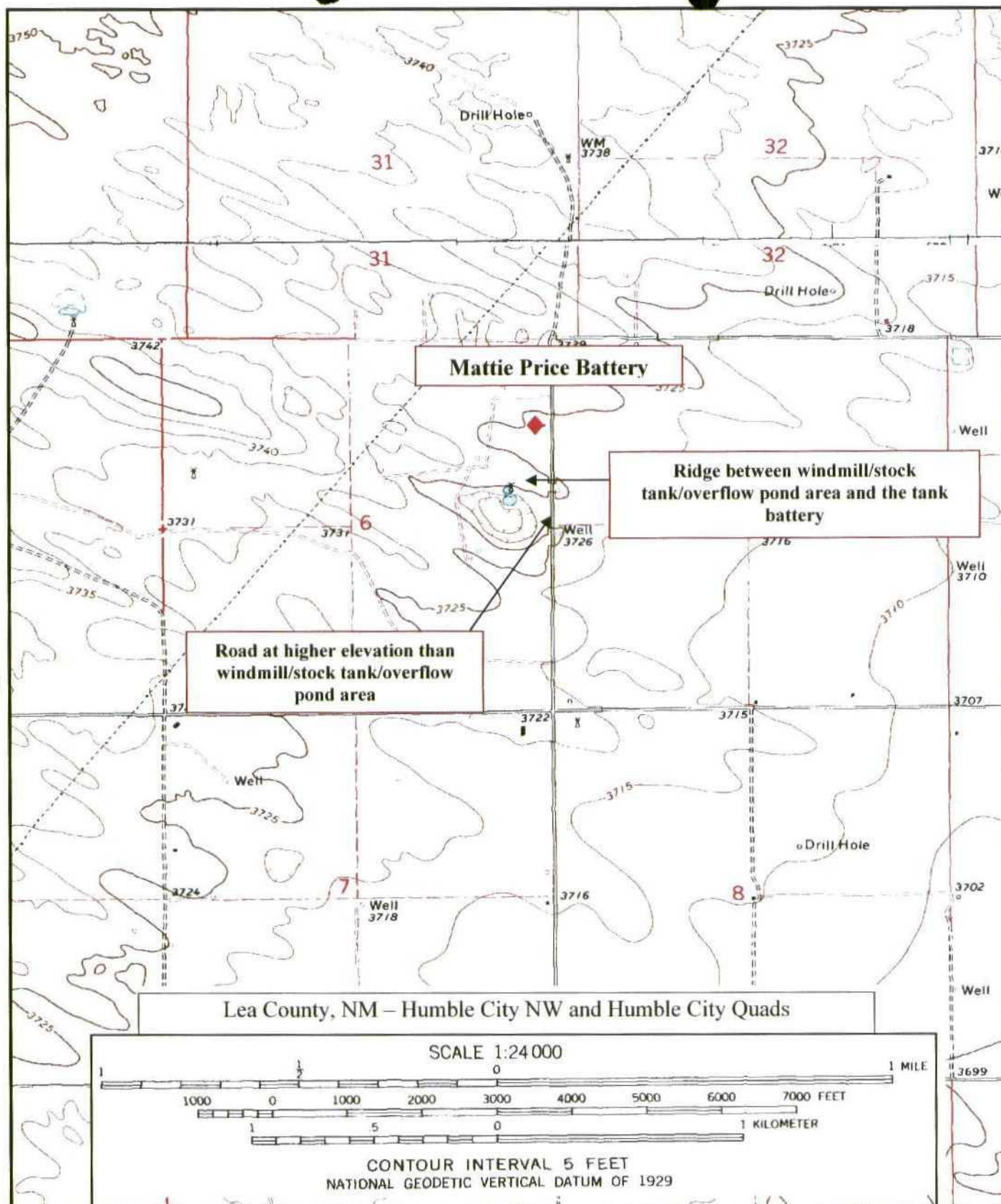
Following completion of sampling and analyses, a report detailing the findings of the investigation and proposing remedial options will be prepared for submission to and approval by the NMOCD.

### **3.0 QUALITY CONTROL**

The sample collection apparatus will be decontaminated between intervals by washing with soap and water and a clean-water rinse.

All soil samples to be submitted for laboratory analysis will be immediately packed on ice and provided with a Chain of Custody transport. EPA approved pre-cleaned and certified containers will be used for sample collection.

The PID used for headspace analyses will be calibrated to assume a benzene response factor prior to arrival on location.



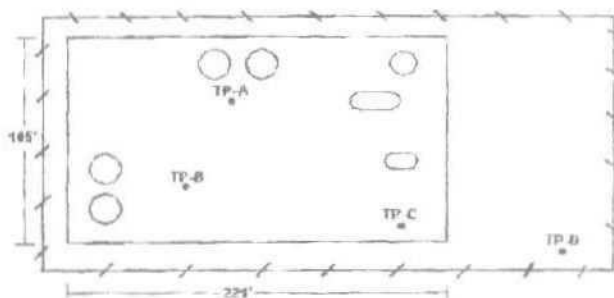
Area  
Location  
Map

Osborne Heirs  
**MATTIE PRICE TANK BATTERY**  
Lea County, New Mexico

Figure 1  
USGS  
Topographic  
Map

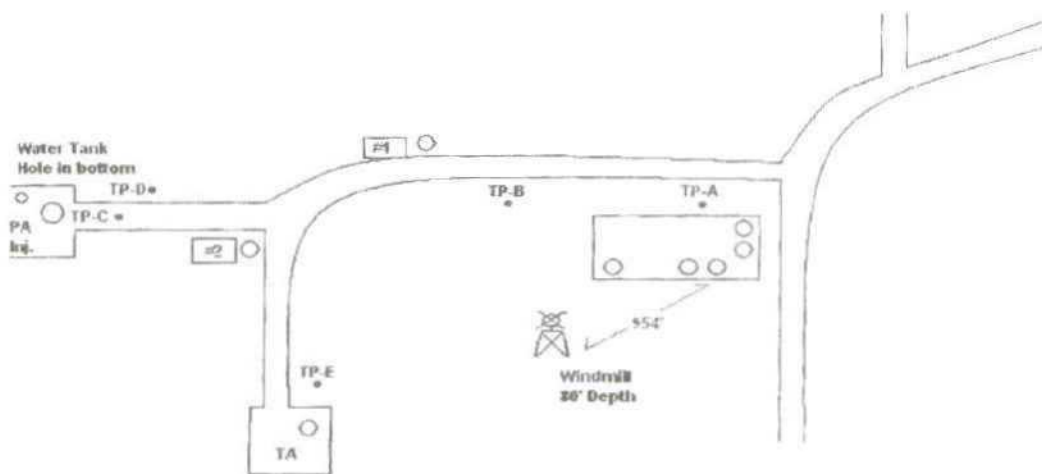


Mattie Price Tank Battery  
 West Garrett Devonian Pool  
 NE ¼ NE ¼  
 Sec-6 TS-17-S R-38E  
 Lea Co. New Mexico



Hydrocarbon & Chloride Test Results

| <u>Test Point</u> | <u>Results</u>   |
|-------------------|--|
| A                 | 16,860ppm @ 6'    25,900ppm @ 7 ½'    2,160ppm @ 10'    516ppm @ 14' |
| B                 | 3,130ppm @ 6'  |
| C                 | 460ppm @ 6'  |
| D                 | 18ppm @ 4'   |
| Chlorides         | <250ppm  |



Chloride Test Results

| <u>Test Point</u> | <u>Results</u>   |
|-------------------|------------------|
| A.                | 100ppm @ Surface |
| B.                | 100ppm @ Surface |
| C.                | 100ppm @ Surface |
| D.                | 300ppm @ Surface |
| E.                | 150ppm @ Surface |

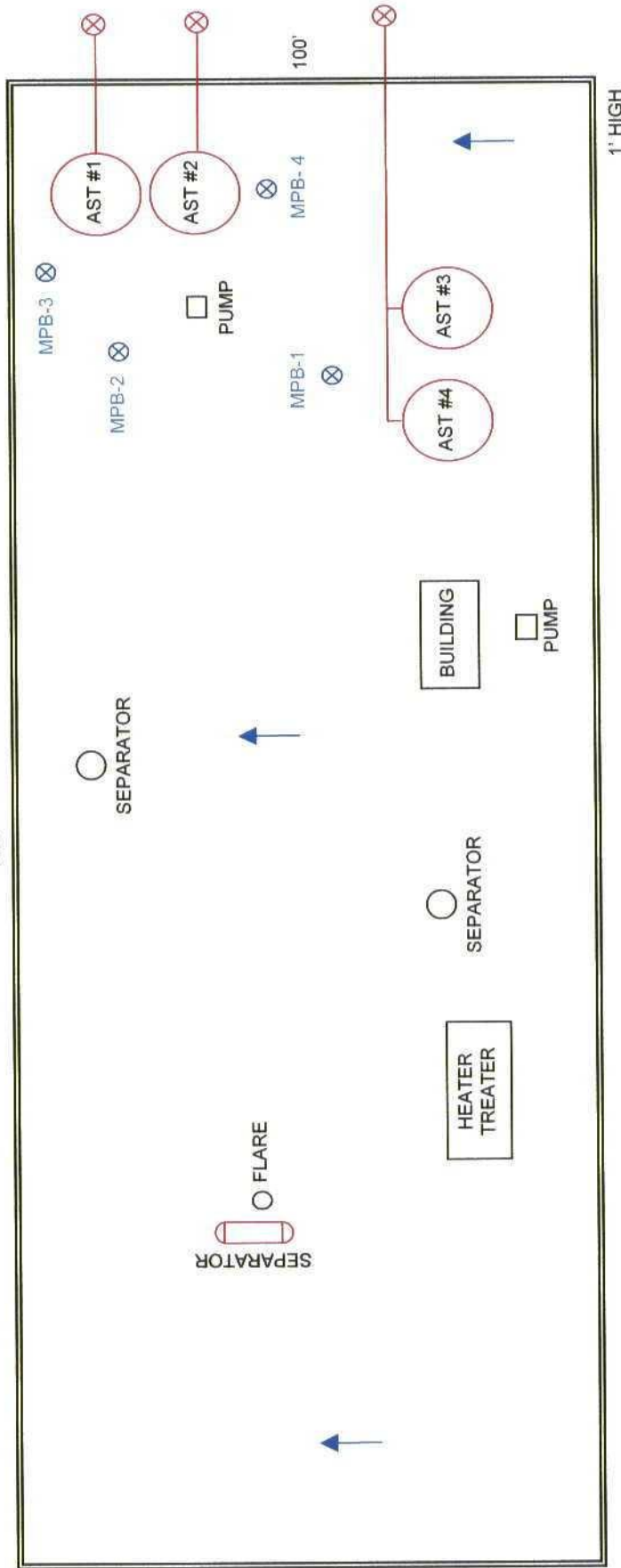
**KANE**

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Figure 2  
 R.E. Environmental Services, Inc.  
 Sample Locations and Analyses Results



315'



1' HIGH

BERM DIMENSIONS REFLECT TOP OF BERM

| TANK LEGEND  | TANK LEGEND   | Figure 3<br>Mattie Price Battery<br>Lea County, New Mexico<br>N 32° 52' 33" W 103° 10' 46.86" |  |  |
|--|---|---|--|--|
| <p>— SURFACE DRAINAGE</p> <p>— FENCE</p> <p>— SPCC-REGULATED STORAGE TANKS OR OIL CONTAINING EQUIPMENT</p> <p>— EARTHEN BERM</p> <p>— BORING</p> | <p>AST #1 PRODUCED WATER TANK<br/>504 BBL</p> <p>AST #2 PRODUCED WATER TANK<br/>504 BBL</p> <p>AST #3 PRODUCED OIL TANK<br/>504 GAL</p> <p>AST #4 PRODUCED OIL TANK<br/>504 GAL</p> |   |  |  |
|  |   | DRAWN BY: TYH   |  |  |
|  |   | DATE: 8/29/2004   |  |  |
|  |   | PROJECT: 04-631   |  |  |
|  |   | APPROVED BY: DCL  |  |  |
|  |   | REVISED:  |  |  |
|  |   | NOT TO SCALE  |  |  |



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