

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



March 10, 2017

Tom Ragsdale
Siana Oil and Gas Co., LLC
12012 Wickchester Lane, Suite 410
Houston, Texas 77079

Robert Stranahan
1314½ Madrid Rd.
Santa Fe, New Mexico 87505

Re: Siana Delineation Reports Received March 7, 2017

Dear Messrs. Ragsdale and Stranahan:

Regarding the Delineation Investigation Reports submitted to the Oil Conservation Division (OCD) on March 7, 2017, the OCD cannot accept them as fulfilling the terms of the October 6, 2016 Amended Settlement Agreement. The information received did not satisfy the obligations under the workplan dated September 23, 2016 and approved by OCD three days later.

For instance, the approved workplan required a total of 28 soils borings advanced across the six release sites. The information provided only describes a total of nine borings concerning five site. Furthermore, laboratory soil sample analyses for hydrocarbon contamination were to be provided at approximate five-foot intervals throughout each boring. Complete information was provided for only two of the nine borings.

With such limited information, adequate determination of the extents of contamination cannot be made for any of the release sites.

OCD will not revise any deadlines for this requirement. Please submit complete information to the OCD Environmental Bureau as soon as possible. If Siana or its contractor(s) return to the sites to perform additional work, please notify the OCD Environmental Bureau no less than 72-hours before work is to commence.