

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary-Designate

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



March 10, 2017

Robert Stranahan
1314½ Madrid Rd.
Santa Fe, NM 87505

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

Re: Siana Delineation Reports Received March 7, 2017

Dear Messrs. Stranahan and Ragsdale:

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 approved work plan.

The approved work plan required complete hydrocarbon profiles of soil borings at 2-foot below ground surface (bgs) and at 5-foot bgs intervals. The information submitted did not provide analysis for every borehole required.

Further, the hydrocarbon profiles were supposed to be obtained through laboratory analysis for BTEX by SW-8021 and TPH by method SW-8015. For the boreholes that were submitted, no complete hydrocarbon profile was included.

This incomplete information did not fulfill the reporting requirements as established in the September 23, 2016 approved work-plan and OCD does not accept it as fulfilling the terms of the Amended Settlement Agreement. Therefore, the OCD will not revise any deadlines for this requirement.

Please submit a complete information to the OCD Environmental Bureau as soon as possible as stated in the approved work plan. If Siana or its contractor return to the sites to perform additional work, please provide the OCD Environmental Bureau with 24-hours' notice before work is to commence.