



21 March 2016

Mr. Jamie Keyes
Environmental Specialist
NMOCD
1625 North French Drive
Hobbs, New Mexico 88240

APPROVED

RE: Remediation Progress Report and Closure Proposal
Vanguard – Elliott B Federal
UL-I, Section 6, Township 22 South, Range 37 East
Lea County, New Mexico

Mr. Keyes:

The following *Remediation Progress Report and Closure Proposal* serves as a condensed update on remedial activities undertaken and closure proposal for the above referenced Site.

Remediation Progress:

From February 8 – 18, 2016 the release area was excavated. The area within the berm and on the pad was scraped up. The release area on the lease road was excavated to a depth of approximately one (1) foot bgs, where samples SP1 – SP3 were collected. The southern end of the lease road release area was excavated to a depth of approximately three (3) feet bgs, where sample SP4 was collected. All excavated soil has been placed on plastic and will be hauled to a state approved facility for disposal.

On February 23, 2016 EPI personnel mobilized on site to collect soil samples. A total of five (5) soil samples were collected from four (4) sample locations; SP1 – SP4. All samples were sent to Cardinal Labs for testing. Laboratory analytical results indicate the excavation is void of Benzene, BTEX, TPH and Chloride concentrations in excess of NMOCD Recommended Remedial Action Levels (RRALs) of 10 mg/Kg, 50 mg/Kg, 1,000 mg/Kg and 500 mg/Kg, respectively (reference *Figure 3* and *Table 2*).

Closure Proposal:

Based on laboratory analytical data indicating the excavation is void of contaminant concentrations in excess of NMOCD RRALs, EPI proposes to backfill the excavation with clean soil. All soil will be free of rocks, clumps, or deleterious material.

Backfilling will continue until the entire excavation is closed. Upon completion of backfill activities, the entire disturbed area will be contoured to blend with existing pad and lease road area and protected against wind/water erosion.

Following completion of closure activities, EPI will provide a detailed *Final Closure Report* to Vanguard and NMOCD personnel.

Vanguard and EPI personnel would welcome an opportunity to briefly discuss the *Closure Proposal* at your earliest convenience. However, should you have any questions or concerns please feel free to contact me at (575) 394-3481 or via e-mail at ddominguezepi@gmail.com or Mr. JT Terry at (432) 362-2209 or via e-mail at jterry@vnrlc.com. All official communication should be addressed to:

Mr. JT Terry
Vanguard
4001 Penbrook, Suite 201
Odessa, Texas 79762

Sincerely,

ENVIRONMENTAL PLUS, INC.

Daniel Dominguez
Environmental Consultant

cc: JT Terry, Production Foreman – Vanguard
File

Encl.: Figure 1 – Area Map
Figure 2 – Site Location Map
Figure 3 – Site/Sample Map
Table 1 – Well Data
Table 2 – Summary of Soil Sample Field Testing and Laboratory Analytical Results
Attachment I – Photographs
Attachment II – Laboratory Analytical Results
Attachment III – Copy of Initial NMOCD Form C-141

FIGURES

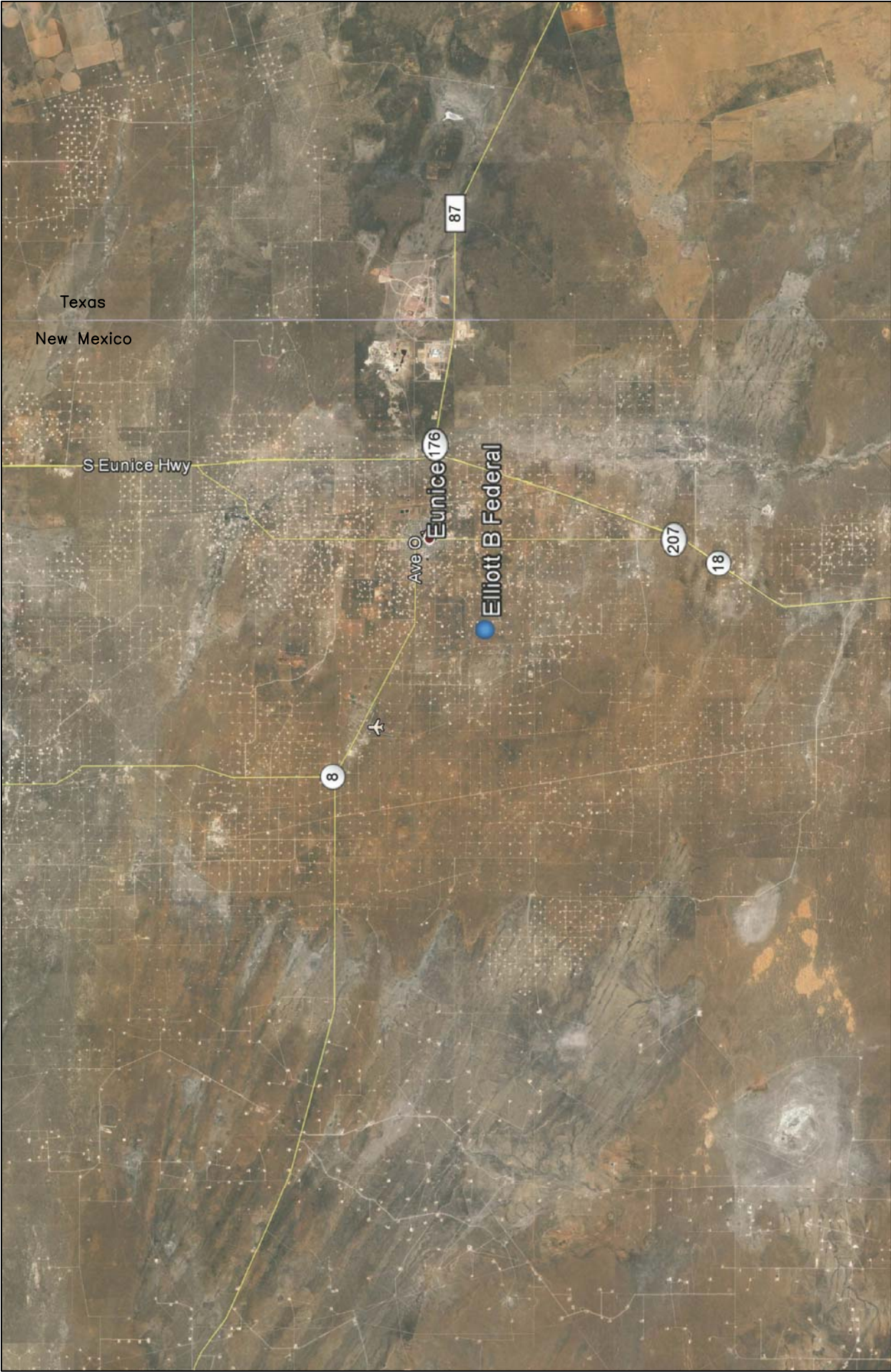


Figure 1 Area Map Vanguard Elliott B Federal	Lea County, New Mexico NE 1/4 of SE 1/4, Sec. 6, T22S, R37E N 32° 25' 2.41" W 103° 11' 52.22" Elevation: 3,446 feet amsl		DWG By: D Dominguez February 2016	REVISED:	
			0 3 6 Miles	SHEET 1 of 1	

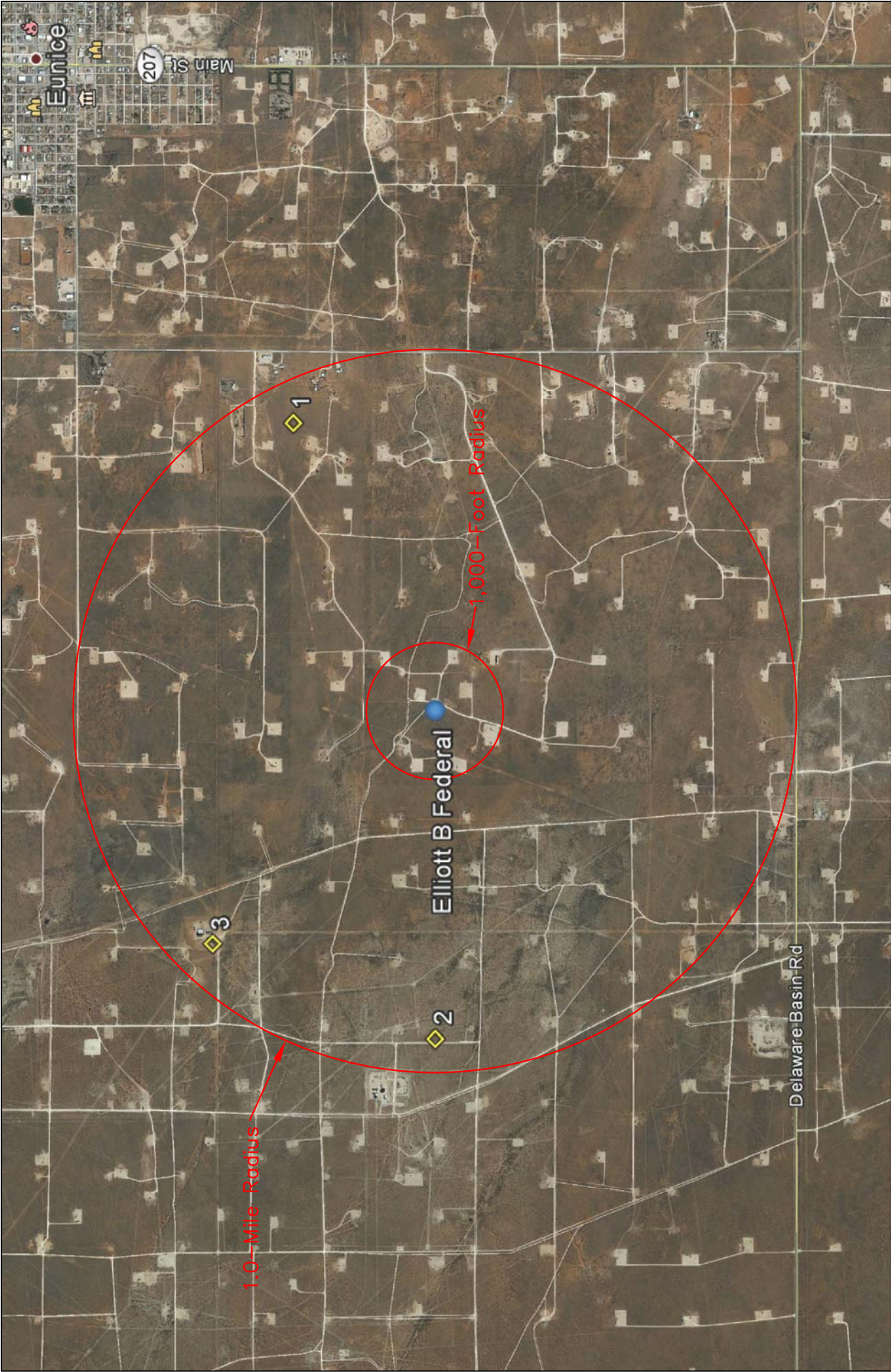
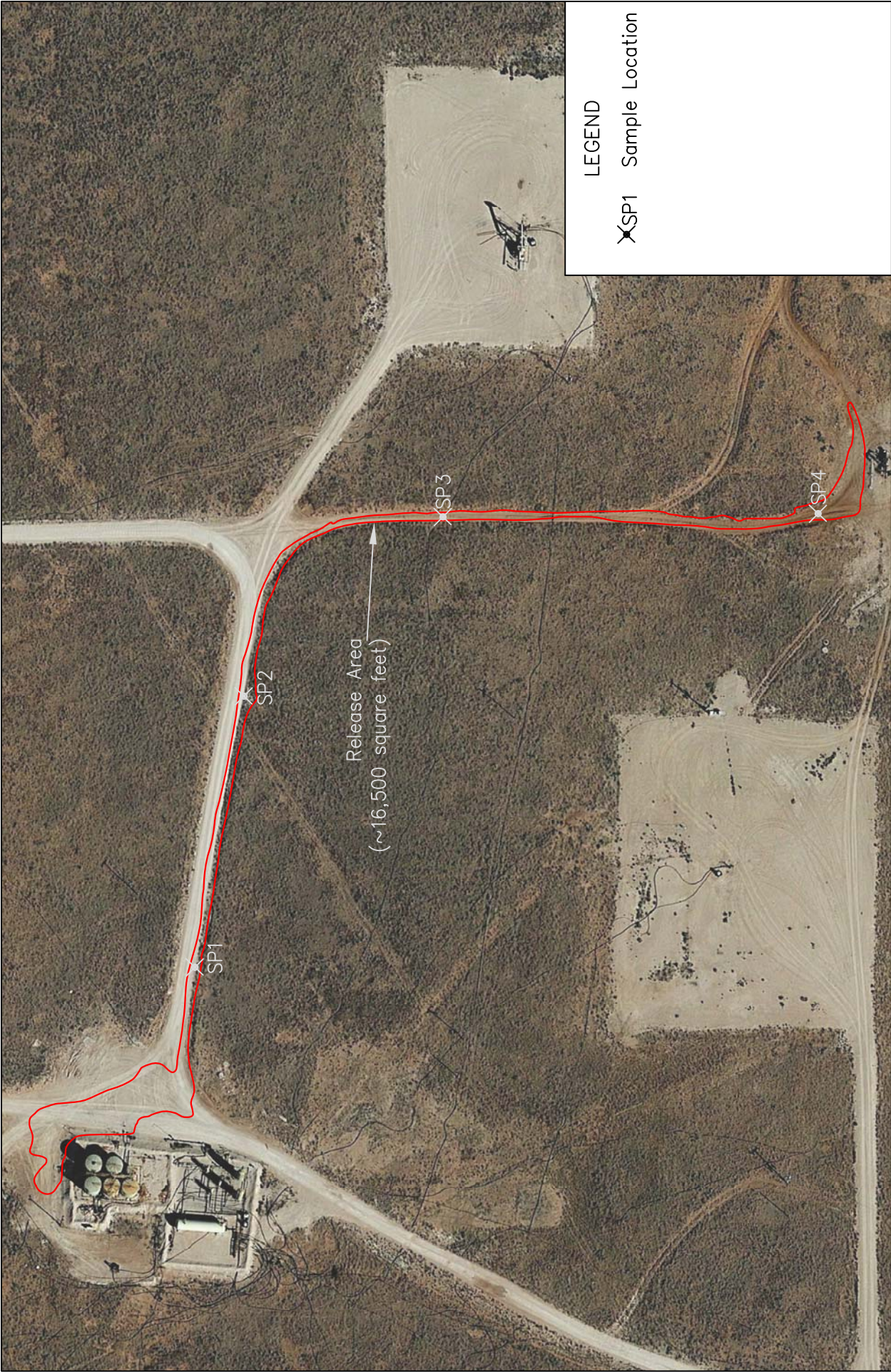


Figure 2 Site Location Map Vanguard Elliott B Federal	Lea County, New Mexico NE 1/4 of SE 1/4, Sec. 6, T22S, R37E N 32° 25' 2.41" W 103° 11' 52.22" Elevation: 3,446 feet amsl	DWG By: D Dominguez February 2016		REVISED:
		0 2,000 4,000		SHEET 1 of 1
		 Feet		
				



<p>Figure 3 Site/Sample Map Vanguard Elliott B Federal</p>	<p>Lea County, New Mexico NE 1/4 of SE 1/4, Sec. 6, T22S, R37E N 32° 25' 2.41" W 103° 11' 52.22" Elevation: 3,446 feet amsl</p>	<p>DWG By: D Dominguez February 2016</p> <p>REvised:</p> <p>0 125 250 Feet</p> <p>SHEET 1 of 1</p> <p>N</p>
--	---	---

TABLES

TABLE 1

Well Data

Vanguard - Elliott B Federal

Ref #	Well Number	Use	Diversion ^A	Owner	q64	q16	q4	Sec	Twsp	Rng	Easting	Northing	Date Measured	Surface Elevation ^B	Depth to Water (ft bgs)
1	CP 00666	DOM	3	LARRY HENSON			2	5	22S	37E	671055	3588939	27-Aug-84	3,448	79
2	L 09966	PRO	0	DELTA DRILLING	1	2	2	2	17S	37E	667627	3588089	25-Nov-87	3,505	70
3	CP 01448	MON	0	REGENCY ENERGY PARTNERS	4	4	4	36	21S	36E	668136	3589337	05-Jan-15	3,486	--

* = Data obtained from the New Mexico Office of the State Engineer Website (http://iwaters.ose.state.nm.us:7001/iWATERS/wr_RegisServlet1) and USGS Database

^A = In acre feet per annum

^B = Elevation interpolated from USGS topographical map based on referenced location.

DOM = 72-12-1 Domestic one household

PRO = 72-12-1 Prospecting or development of Natural Resource

MON = Monitoring Well

quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are smallest to biggest

-- = Data not provided on the NM iwaters website

TABLE 2
Summary of Soil Sample Field Testing and Laboratory Analytical Results
Vanguard
Elliott B Federal

Lab Sample ID	Depth (feet)	Soil Status	Sample Date	PID Reading (ppm)	Field Chloride (mg/Kg)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	GRO C6-C10 (mg/Kg)	DRO C10-C28 (mg/Kg)	Total TPH (mg/Kg)	Chloride (mg/Kg)
SP1	1	In-Situ	23-Feb-16	3.3	80	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
SP2	1	In-Situ	23-Feb-16	0.4	80	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	32
SP3	1	In-Situ	23-Feb-16	2.0	80	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
SP4	1	Excavated	23-Feb-16	286	160	<0.050	0.109	2.36	7.25	9.72	306	3,220	3,526	128
	3	In-Situ	23-Feb-16	31.6	40	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
NMOCD Recommended Remedial Action Levels						10				50			1,000	500

-- = Not Analyzed

Red values are in excess of NMOCD Recommended Remedial Action Levels

Shaded values indicates soil has been excavated

ATTACHMENTS

ATTACHMENT I
Photographs



Photograph #1 – Release with in containment berm.



Photograph #2 – Northerly view over release area.



Photograph #3 – Looking north across release area.



Photograph #4 – Looking east across release area.



Photograph #5 – Looking south across release area.



Photograph #6 – Looking south across release area.



Photograph #7 – Excavated



Photograph #8 – Excavated



Photograph #9 – Excavated



Photograph #10 – Excavated



Photograph #11 – Excavated



Photograph #12 – Excavated

ATTACHMENT II
Laboratory Analytical Results



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

March 04, 2016

Daniel Dominguez

Environmental Plus, Inc.

P.O. Box 1558

Eunice, NM 88231

RE: ELLIOTT B FEDERAL

Enclosed are the results of analyses for samples received by the laboratory on 03/02/16 15:26.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-15-7. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 Environmental Plus, Inc.
 Daniel Dominguez
 P.O. Box 1558
 Eunice NM, 88231
 Fax To: (505) 394-2601

 Received: 03/02/2016
 Reported: 03/04/2016
 Project Name: ELLIOTT B FEDERAL
 Project Number: NONE GIVEN
 Project Location: UL-1, SEC. 6, T22S, R37E

 Sampling Date: 02/26/2016
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 1 (1') (H600471-01)

BTX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/03/2016	ND	2.04	102	2.00	0.850	
Toluene*	<0.050	0.050	03/03/2016	ND	2.00	99.8	2.00	0.844	
Ethylbenzene*	<0.050	0.050	03/03/2016	ND	1.79	89.5	2.00	0.0755	
Total Xylenes*	<0.150	0.150	03/03/2016	ND	5.43	90.5	6.00	0.845	
Total BTX	<0.300	0.300	03/03/2016	ND					

Surrogate: 4-Bromofluorobenzene (PID) 97.3 % 73.6-140

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	03/04/2016	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	03/03/2016	ND	203	101	200	1.31	
DRO >C10-C28	<50.0	50.0	03/03/2016	ND	231	116	200	10.5	

Surrogate: 1-Chlorooctane 94.3 % 35-147

Surrogate: 1-Chlorooctadecane 109 % 28-171

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Environmental Plus, Inc.
Daniel Dominguez
P.O. Box 1558
Eunice NM, 88231
Fax To: (505) 394-2601

Received: 03/02/2016
Reported: 03/04/2016
Project Name: ELLIOTT B FEDERAL
Project Number: NONE GIVEN
Project Location: UL-1, SEC. 6, T22S, R37E

Sampling Date: 02/26/2016
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 2 (1') (H600471-02)

BTEx 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/03/2016	ND	2.04	102	2.00	0.850	
Toluene*	<0.050	0.050	03/03/2016	ND	2.00	99.8	2.00	0.844	
Ethylbenzene*	<0.050	0.050	03/03/2016	ND	1.79	89.5	2.00	0.0755	
Total Xylenes*	<0.150	0.150	03/03/2016	ND	5.43	90.5	6.00	0.845	
Total BTEx	<0.300	0.300	03/03/2016	ND					

Surrogate: 4-Bromofluorobenzene (PID) 99.8 % 73.6-140

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	03/04/2016	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/03/2016	ND	203	101	200	1.31	
DRO >C10-C28	<10.0	10.0	03/03/2016	ND	231	116	200	10.5	

Surrogate: 1-Chlorooctane 105 % 35-147

Surrogate: 1-Chlorooctadecane 115 % 28-171

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Environmental Plus, Inc.
Daniel Dominguez
P.O. Box 1558
Eunice NM, 88231
Fax To: (505) 394-2601

Received: 03/02/2016
Reported: 03/04/2016
Project Name: ELLIOTT B FEDERAL
Project Number: NONE GIVEN
Project Location: UL-1, SEC. 6, T22S, R37E

Sampling Date: 02/26/2016
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 3 (1') (H600471-03)

BTEx 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/03/2016	ND	2.04	102	2.00	0.850	
Toluene*	<0.050	0.050	03/03/2016	ND	2.00	99.8	2.00	0.844	
Ethylbenzene*	<0.050	0.050	03/03/2016	ND	1.79	89.5	2.00	0.0755	
Total Xylenes*	<0.150	0.150	03/03/2016	ND	5.43	90.5	6.00	0.845	
Total BTEx	<0.300	0.300	03/03/2016	ND					

Surrogate: 4-Bromofluorobenzene (PID) 97.6 % 73.6-140

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	03/04/2016	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/03/2016	ND	203	101	200	1.31	
DRO >C10-C28	<10.0	10.0	03/03/2016	ND	231	116	200	10.5	

Surrogate: 1-Chlorooctane 104 % 35-147

Surrogate: 1-Chlorooctadecane 106 % 28-171

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Environmental Plus, Inc.
Daniel Dominguez
P.O. Box 1558
Eunice NM, 88231
Fax To: (505) 394-2601

Received: 03/02/2016
Reported: 03/04/2016
Project Name: ELLIOTT B FEDERAL
Project Number: NONE GIVEN
Project Location: UL-1, SEC. 6, T22S, R37E

Sampling Date: 02/26/2016
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 4 (1') (H600471-04)

BTX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	03/03/2016	ND	2.04	102	2.00	0.850	
Toluene*	0.109	0.100	03/03/2016	ND	2.00	99.8	2.00	0.844	
Ethylbenzene*	2.36	0.100	03/03/2016	ND	1.79	89.5	2.00	0.0755	
Total Xylenes*	7.25	0.300	03/03/2016	ND	5.43	90.5	6.00	0.845	
Total BTX	9.72	0.600	03/03/2016	ND					

Surrogate: 4-Bromofluorobenzene (PID) 131 % 73.6-140

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	03/04/2016	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: CK					S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	306	50.0	03/03/2016	ND	203	101	200	1.31		
DRO >C10-C28	3220	50.0	03/03/2016	ND	231	116	200	10.5		

Surrogate: 1-Chlorooctane 154 % 35-147

Surrogate: 1-Chlorooctadecane 143 % 28-171

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Environmental Plus, Inc.
Daniel Dominguez
P.O. Box 1558
Eunice NM, 88231
Fax To: (505) 394-2601

Received: 03/02/2016
Reported: 03/04/2016
Project Name: ELLIOTT B FEDERAL
Project Number: NONE GIVEN
Project Location: UL-1, SEC. 6, T22S, R37E

Sampling Date: 02/26/2016
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 4 (3') (H600471-05)

BTEX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/03/2016	ND	2.04	102	2.00	0.850	
Toluene*	<0.050	0.050	03/03/2016	ND	2.00	99.8	2.00	0.844	
Ethylbenzene*	<0.050	0.050	03/03/2016	ND	1.79	89.5	2.00	0.0755	
Total Xylenes*	<0.150	0.150	03/03/2016	ND	5.43	90.5	6.00	0.845	
Total BTEX	<0.300	0.300	03/03/2016	ND					

Surrogate: 4-Bromofluorobenzene (PID) 97.3 % 73.6-140

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	03/04/2016	ND	384	96.0	400	8.00	

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/03/2016	ND	203	101	200	1.31	
DRO >C10-C28	<10.0	10.0	03/03/2016	ND	231	116	200	10.5	

Surrogate: 1-Chlorooctane 101 % 35-147

Surrogate: 1-Chlorooctadecane 100 % 28-171

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

S-06	The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's.
QM-07	The spike recovery was outside acceptance limits for the MS and/or MSD. The batch was accepted based on acceptable LCS recovery.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Chain of Custody Form

LAB
Cardinal

ANALYSIS REQUEST

Attn: Daniel Dominguez
P.O. Box 1558
Eunice, NM 88231

10

E-mail results to: ddominguezepi@gmail.com & jjerry@vnrllc.com

1

ATTACHMENT III
Copy of Initial NMOCD Form C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Vanguard	Contact: JT Terry	
Address: 4001 Penbrook, Suite 201, Odessa, Texas 79762	Telephone No. 432-362-2209	
Facility Name: Elliott B Federal	Facility Type: Battery	
Surface Owner: Vanguard	Mineral Owner:	API No. 30-025-10076

LOCATION OF RELEASE

Unit Letter I	Section 6	Township 22S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
------------------	--------------	-----------------	--------------	---------------	------------------	---------------	----------------	---------------

Latitude: N 32.417329° Longitude: W 103.197841°

NATURE OF RELEASE

Type of Release: produced water and oil	Volume of Release: ~1,200 bbls	Volume Recovered: ~1,150 bbls
Source of Release: tanks overrun	Date and Hour of Occurrence: 2-4-16 @ unknown	Date and Hour of Discovery: 2-5-16 @ unknown
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Kellie Jones, OCD	
By Whom? EPI	Date and Hour: 2-5-16 @ 12:21 pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: Not Applicable	

If a Watercourse was Impacted, Describe Fully.* Not Applicable

Describe Cause of Problem and Remedial Action Taken.*

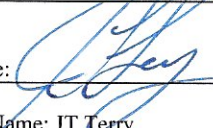
The water transfer pump failed and the tanks were run over with fluid. Vacuum trucks were called in to draw up standing fluid.

Describe Area Affected and Cleanup Action Taken.*

The spill impacted approximately 16,500 sq. ft. of lease road. The majority of the water and oil was contained within the berms. However the containment was run over on the north end releasing an unknown amount of water and oil. Vacuum trucks collected approximately 1,150 bbls of water and oil from within containment and the lease road. The stained soil has been scraped up and placed on plastic.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: 	Approved by Environmental Specialist:		
Printed Name: JT Terry			
Title: Production Foreman	Approval Date:	Expiration Date:	
E-mail Address: jterry@vnrlc.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 2-9-16	Phone: 432-362-2209		

* Attach Additional Sheets If Necessary

Elliott B Federal Tank Battery Liner

Vanguard









