




Date: November 26, 2025

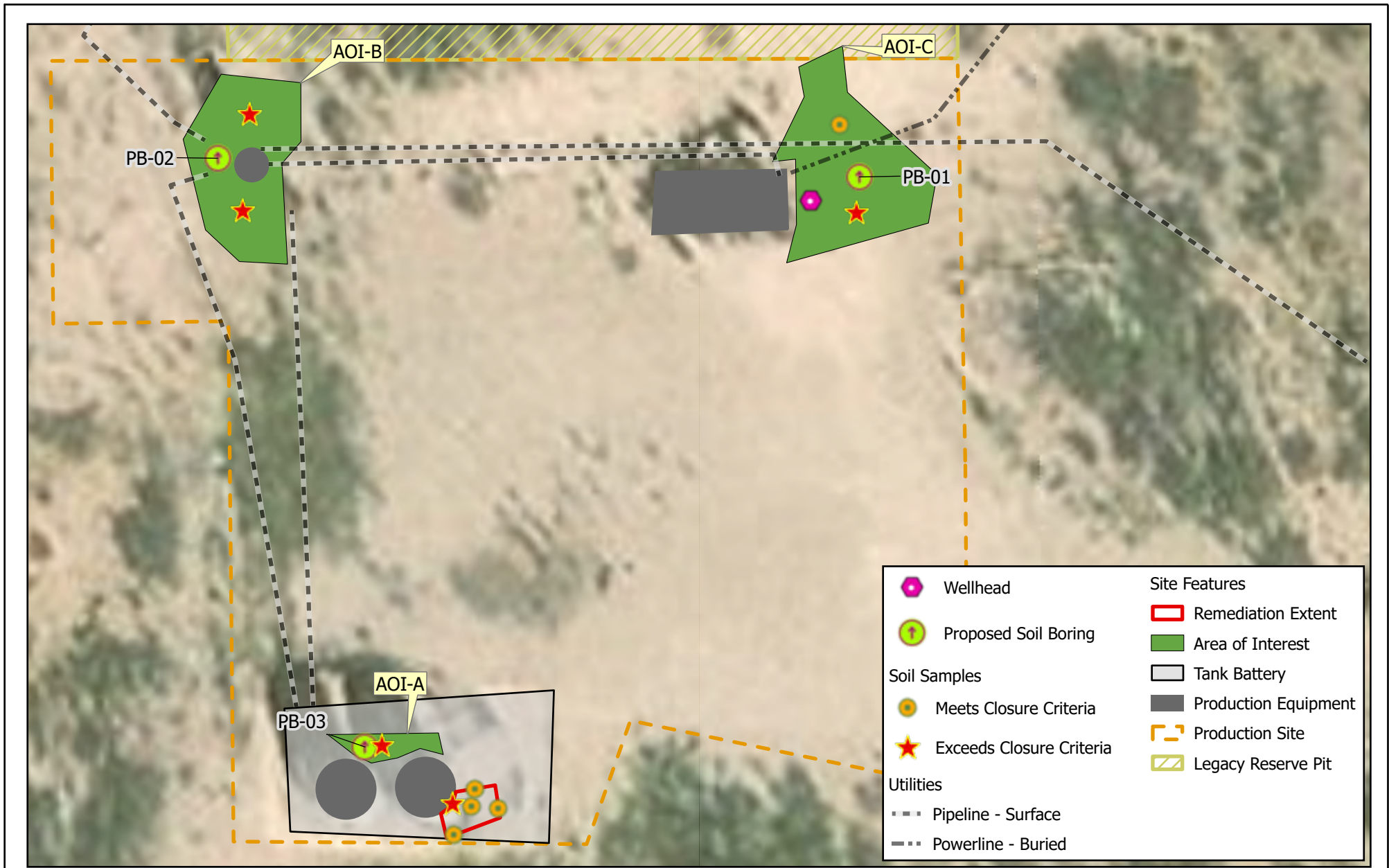
Location: Phillips State #02
Incident #: nAPP2533039712

RE: Estimated Volume Calculation

The attached map shows three Areas of Interest (AOI). Preliminary characterization sampling of suspect historical releases indicate that a minimum of 115 cubic yards of subsurface material may have been impacted – yielding an estimated release volume of 116 barrels. The AOIs are pending further delineation; therefore, release volumes are only an estimate. Below is the estimated volume calculation.

Spill Dimensions to Volume of Release outside of Containment (not recovered)			
Input	volume of affected soil	[feet^3]	3110.00
Input	Porosity: typically is .35 to .40 for most soils	[-]	0.35
Input	Proportion of porosity filled with release fluid [0,1]	[-]	0.60
Output	volume of fluid	[feet^3]	653.1
		[gal]	4885.5
		Barrels	116.3


Andrew Parker
Senior Project Manager
Vertex Resource Services Inc
c: (575) 689-7007



Map Center:
Lat/Long: 32.407989°N, 103.351994°W

Date: Oct 10/25

NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

Proposed Soil/Sample Borings
Phillips State #002

FIGURE: **5**

K&M
Resources

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.



25A-02813

Second Revised Remediation Work Plan

Phillips State #002

API: 30-025-28670

NMSLO Lease Number: E019320001

NMOCD Incident: nAPP2533039712

Coordinates: 32.4078353, -103.3521420

Prepared for:

K&M Resources LLC

Prepared by:

Vertex Resource Services Inc.

Date:

April 2026

K&M Resources LLC
Phillips State #002

2nd Revised Remediation Work Plan
April 2026

2nd Remediation Workplan
Phillips State #002

On behalf of:
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P.O. BOX 1540
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Prepared for:
New Mexico State Land Office -ECO
310 Old Santa Fe Trail
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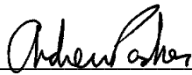
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Stephanie McCarty, Bs. S.
Environmental Specialist, REPORTING

04/10/2026

Date



Andrew Parker, MGIS
Senior Proj. Manager, REVIEWER

04/10/2026

Date

Executive Summary

On behalf of K&M Resources LLC (K&M), Vertex Resource Services Inc. (Vertex) submits this Second Revised Remediation Work Plan. The SLO-ECO approved first Revised Remediation Workplan dated October 31, 2025; proposed a borehole program to complete vertical delineation. The borehole program was completed on February 11th, 2026.

This revision presents the results of the borehole program and presents a path forward to complete remedial activities. Sections 1 through 3 and Section 5 remain as originally approved by SLO-ECO. Revisions are presented in Section 4 that includes 1.) soil boring results and 2.) proposed remediation of Areas of Interest (AOIs).

Table of Contents

- 1.0 Introduction..... 1**
- 2.0 Background..... 1**
 - 2.1 Access.....1
 - 2.2 Site Description.....1
 - 2.3 Cultural Resources Compliance.....1
 - 2.4 Ecological Setting.....2
 - 2.5 Biological Compliance.....2
 - 2.6 Environmental Incidents.....2
- 3.0 Site Evaluation 2**
 - 3.1 Assessment of Soil Suitability3
- 4.0 Revised Remediation Work Plan 3**
 - 4.1 Remedial actions completed to date.....3
 - 4.2 Additional Remedial Actions..... Error! Bookmark not defined.
 - 4.2.1 Borehole Program4
 - 4.2.2 Soil Remediation Options Error! Bookmark not defined.
- 5.0 Surface Restoration Work Plan 5**
 - 5.1 Site Restoration..... Error! Bookmark not defined.
 - 5.2 Final Reclamation..... Error! Bookmark not defined.
- 6.0 Proposed Schedule..... Error! Bookmark not defined.**
- 7.0 Limitations..... 7**
- 8.0 References..... 8**
- 10.0 Limitations..... 9**

In-text Tables

Table 1. Closure Criteria Soil Concentrations

Tables

Table A. Initial Soil Sampling – Summary of Analytical

Table B. Borehole Program Sampling – Summary of Analytical

List of Figures

Figure 1. SLO Lease Boundary

Figure 2. Site Features on Current Aerial Image

Figure 3. Tank Battery Sample Locations

Figure 4. Area of Interest Sample Locations

Figure 5. Borehole Locations

Figure 6. Proposed Remediation/Restoration Areas

List of Appendices

A. Well Operator

B. Siting Criteria

Table B-1. Siting Criteria

Plate 1. Soil Classification

Plate 2. Depth-to-Water

Plate 3. Surface Water

Plate 4. Occupied residence, school, hospital, etc.

Plate 5. Wetlands

Plate 6. Mine/Minerals

Plate 7. Karst

Plate 8. Flood Hazard

C. Well Logs

D. Biological Review

E. Soil Boring Logs

F. Daily Field Report

G. Communications: SLO-ECO

H. Communications: NMOCD

I. Laboratory Certificate of Analyses

1.0 Introduction

K&M Resources LLC (K&M) retained Vertex Resource Services Inc. (Vertex) to complete an initial release site assessment and remediation work plan for the Phillips State #002 (the "Site"; API #: 30-025-28670). K&M acquired the oil and gas well in April 2021 from Robert H Forrest Jr Oil LLC. The active oil and gas well is operated by K&M on surface leased by Conoco Phillips Company.

On May 1, 2025; the SLO-ECO informed K&M of a release at the Site. K&M responded to the request and submitted a Notification of Release to NMOCD. Upon further release evaluation, volume calculations showed that the release volume was less than 5 bbls and requested a cancelation. NMOCD approved the cancelation request on June 18, 2025. After further site assessment a legacy release was discovered and a second C-141 was submitted to NMOCD. The incident number for the second notice is nAPP2533039712. Communications are located in Appendix G & H.

Vertex conducted a site visit on June 4, 2025, and confirmed the extent and volume of the subject release and identified abandoned equipment on-site. Initial remedial actions were performed on August 11th through August 15th, 2025. The proposed plan remains to remediate areas of interest identified during the August remedial actions.

2.0 Background

2.1 Access

The Site is located approximately 11 miles west-southwest of Eunice, NM on New Mexico State Trust Lands. Figure 1 shows the Site relative to lease boundaries.

Lease Holder: ConocoPhillips Company (# E019320001)
Well Operator: K&M Resources (Appendix A)
Unit Letter G, Section 10, Township 22 South, Range 35 East.
Lea County
Latitude, Longitude: 32.4078353, -103.3521420

The Site can be accessed from the intersection of Highway 176 and 207 in Eunice. Travel south for 2.5 miles then turn west on Delaware Basin Road. Proceed west for 8.8 miles. At the curve, proceed northeast onto a lease access road. Continue for 0.12 miles and turn north. Proceed for 0.22 miles and turn northwest. Continue for 0.68 miles and turn north. Proceed for 0.14 miles and turn west. Proceed for 0.48 miles to the Site.

2.2 Site Description

The Site is an active production pad for oil and gas operations (Figure 2). A tank battery is located at the southwest corner. The wellhead is near the northeast corner of the production pad. The tank battery contains two steel tanks. The northern portion of the Site includes a legacy reserve pit. Three areas of interest (AOIs) were identified during the August remedial actions. The AOIs are discussed in Section 5.

2.3 Cultural Resources Compliance

The proposed remediation and general housekeeping areas are situated within the boundaries of current and historical disturbances from daily oil and gas operations, which is not subject to the need and applicability of the Cultural Properties Protection (CPP) Rule. The proposed work will remain confined within areas of prior disturbances.

Should any remediation or general housekeeping activities require any additional new surface disturbance or any cultural properties be encountered during the course of proposed activities, appropriate measures will be taken in accordance with State regulations, including immediate cessation of work and notification to NMSLO's ECO division.

2.4 Ecological Setting

The Site is situated in the Shinnery Sands Level IV 25j Ecoregion (Griffith et al., 2006). This ecoregion is characterized as having the following natural vegetation: Havard shin oak, fourwing saltbush, yucca, sand verbenas, sunflowers, fringed sagewort, and hoary rosemary-mint.

The Site is within the Kimbrough Gravelly Loam (Plate 1, Appendix B) and classified as "Not prime farmland".

The typical soil profile consists of:

- A - 0 to 3 inches: gravelly loam
- Bw - 3 to 10 inches: loam
- Bkkm1 - 10 to 16 inches: cemented material
- Bkkm2 - 16 to 80 inches: cemented material

With a depth to restrictive layer of 4 to 18 inches to petrocalcic (caliche).

Mean annual air temperature is between 57 and 63 °F. Mean annual precipitation is between 14 to 16 inches and the frost-free period is between 180 and 220 days.

2.5 Biological Compliance

Review of critical habitats identified three (3) potentially affected species and no critical habitats. The biological review is included in Appendix D. Critical habitats reviewed include:

- Birds
- Fishes
- Insects
- Refuge Lands
- Fish Hatcheries
- Wetlands

While no critical habitat was identified, remediation activities will proceed with caution in order to avoid potential impacts to threatened or proposed threatened species including, but not limited to: Lesser Prairie-Chicken, Northern Aplomado Falcon, and Monarch Butterfly. The nearest Lesser Prairie-Chicken habitat is 4.6 miles southwest with the time restriction boundary 4-miles south.

2.6 Environmental Incidents

There is one NMOCD open environmental incident associated with the Site. The NMOCD incident number is nAPP2533039712 and is the subject of this remediation plan. Communications are located in Appendix G.

3.0 Site Evaluation

Vertex conducted an initial site assessment of the subject release on June 04, 2025. The site assessment confirmed the release extent is within an unlined tank battery containment and is representative of the photo documentation anonymously submitted to SLO-ECO. Soils impacted from daily oil and gas operations were observed around the wellhead and separator. During the August 2025 remedial actions abandoned oil and gas equipment was hauled off-site for proper disposal.

Proposed and completed remedial actions for the subject release and Areas of Interest are presented in Section 4. Documentation of the initial site assessments and completed remedial actions are included in the daily field reports (DFRs, Appendix F).

3.1 Assessment of Soil Suitability

Closure Criteria determination was adopted from 19.15.29 NMAC. Table 1, below, summarizes Closure Criteria for releases located on an active production site for oil and gas operations. Depth-to-water (DTW) was interpolated at 80 feet below ground surface (bgs) based on isocontours from Open File Report – 95 and verified against DTW at nearby water wells (Plate 2). The nearest water well with DTW data is located 1.18 miles southeast and is identified on Plate 2 as CP-00753. The well was gauged on July 18, 1990, with a DTW of 185 ft. Appendix B provides siting criteria documentation. The well log is located in Appendix C.

Table 1, below, summarizes Closure Criteria per 19.15.29 NMAC.

Table 1. Closure Criteria		
Depth-to-Water between 50 and 100 feet.	Constituent	Limit
< 4 ft below ground surface and area is not on an active production site in-use for oil and gas operations.	Chloride	600 mg/kg
	TPH (GRO+DRO+MRO)	100 mg/kg
	GRO+DRO	--
	BTEX	50 mg/kg
	Benzene	10 mg/kg
<ul style="list-style-type: none"> Active production site in-use for oil and gas operations. Or, <ul style="list-style-type: none"> > 4 ft below ground surface 	Chloride	10,000 mg/kg
	TPH (GRO+DRO+MRO)	2,500 mg/kg
	GRO+DRO	1,000 mg/kg
	BTEX	50 mg/kg
	Benzene	10 mg/kg

For the purpose of this document, soil suitability is defined as:

- Suitable Soils – soils that meet the most stringent Closure Criteria concentrations per Table 1 of 19.15.29 NMAC and consists of compositions that support vegetative growth (i.e. topsoil).
- Unsuitable Soils – soils that exceed Closure Criteria presented in Table 1, above.
- Undesirable Soils – soils that meet the most stringent Closure Criteria and consists of caliche, gypsum, limestone or compositions that inhibit vegetation growth.

4.0 Revised Remediation Work Plan

4.1 Remedial actions completed

Initial remedial actions occurred from August 11th through August 15th, 2025. General housekeeping activities included gathering and removal of abandoned oil field equipment and debris.

The release at the tank battery was remediated with an excavation depth of 2-feet except for hydrocarbon impacted soils underneath the production tank (Figure 3).

Surface scraping of additional hydrocarbon impacted surface soils on the active production pad and within the tank battery containment suggested that impact is likely greater than 6 to 12 inches – at which time a decision was made to cease removal of impacted soils and proceed with a borehole program to horizontally and vertically delineate impacted soils. The surface scraping areas are identified as AOIs A through C.

Impacted areas subject to surface scraping were sampled at the bases to obtain representative concentrations of chloride and hydrocarbons to assess current conditions and develop a revised remediation plan. Figure 4 shows the AOIs and locations of soil samples and identified whether the sample meets or exceeds Closure Criteria. Table A is a summary of laboratory results including depth of soil sample. Appendix I contains the laboratory Certificates of Analysis.

4.2 Borehole Program Results

The previously SLO-ECO approved borehole program was conducted on February 11, 2026. A copy of the 2-day notice prior to the commencement of the drilling program is included in Appendix G.

Three (3) soil borings (BH26-01 through BH26-03) were advanced using direct push drilling technology within the identified AOIs. Total depths ranged from 18 to 24 feet below ground surface (bgs). One (1) background soil boring (BG26-01) was advanced to a depth of 14 feet to establish background soil concentrations. The background soil boring was obtained during the Phillips State #1 (NMOCD Incident ID nAPP2533039712) drilling program. Background chloride concentrations ranged from 32 to 176 mg/kg; hydrocarbon concentrations were below laboratory detection levels.

Figure 5 shows the completed borehole locations relative to the AOIs. Table B is a summary of laboratory results including depth of soil sample. Soil boring logs are presented in Appendix E. Appendix I contains the laboratory Certificates of Analysis.

4.2.1 AOI A

AOI A is along the north side of the production tanks, within the earthen berm containment. One (1) soil boring was drilled by direct push and five (5) soil samples were collected from the boring. Surface sample (BH26-03) exceeded Closure Criteria for GRO+DRO and TPH. Chlorides, Benzene and BTEX were below criteria limits for an active production site in-use for oil and gas operations.

4.2.2 AOI B

The AOI B is near the separator to the northwest. One (1) soil boring drilled by direct push and six (6) soil samples were collected from the boring. Surface sample (BH26-02) exceeded Closure Criteria for GRO+DRO. TPH, Chlorides, Benzene and BTEX were below criteria limits for an active production site in-use for oil and gas operations.

4.2.3 AOI C

The AOI C is east of the pump jack. One (1) soil boring drilled by direct push and six (6) soil samples were collected from the boring. Surface sample (BH26-01) exceeded Closure Criteria for GRO+DRO. TPH, Chlorides, Benzene and BTEX were below criteria limits for an active production site in-use for oil and gas operations.

4.3 Proposed Remediation

The following remediation actions will be executed in the order listed below. Prior to any additional disturbance, an Electromagnetic Induction Survey (EM Survey) will be conducted to delineate chloride impacted areas. Remediation of the AOIs will then proceed, followed with soil sampling delineation to determine lateral extents of the impacted areas.

4.3.1 EM Survey Delineation

An EM Survey will be conducted to measure soil salinity (chloride impacted soils) within and around the AOIs and will include the legacy reserve pit. Data will be evaluated to aid in the delineation of chloride impacted soils at the Site including the legacy reserve pit.

4.3.2 Remediation of AOIs

Soil sample collected to date were evaluated and remediation options were assessed according to closure criteria for on-site and off-site areas. Dig-haul-dispose is the selected remedial action. Figure 6 shows proposed remediation areas and anticipated depths.

Confirmation soil samples will be collected from the excavation bases and walls representing an area no greater than 200 sq. ft and submitted for laboratory analysis for Chloride, BTEX, Benzene, and TPH. Excavated material will be transported off-site to an approved disposal facility.

4.3.2.1 AOI A

AOI A will be excavated to one foot bgs, then in 0.5-foot increments, if necessary, until sampling results are below closure criteria. AOI A is within an earthen berm containment around active production tanks and will be conducted with caution and any work deemed unsafe will be concluded and reevaluated. AOI A will be excavated by hand digging and will be approximately 3 cubic yards of material.

4.3.2.2 AOI B

AOI B will be excavated to 0.5 foot bgs, then in 0.5-foot increments, if necessary, by machine, hand dug around lines and will be approximately 9 cubic yards of material.

4.3.2.3 AOI C

AOI C will be excavated to 0.5 foot bgs. AOI will be excavated by machine, hand around lines and will be approximately 6 cubic yards of material.

4.3.3 Soil Sampling Delineation

To horizontally and vertically delineate to the most stringent closure criteria, additional soil samples will be collected at the four cardinal directions relative to the production site. Depth of soil samples will be collected at 0.5 feet, 2 feet, and 4 feet.

5.0 Surface Restoration Work Plan

5.1 Site Restoration

After remedial actions, disturbed surfaces will be restored to an active production pad or restored as a right-of-way. Remediated soils will be replaced with clean, non-waste containing material (caliche) suitable to support oil and gas activities.

When the production site is no longer in use for oil and gas operations, the surface shall be remediated, restored, and reclaimed per 19.15.29.13.A-D.

5.2 Final Reclamation

When the Site is no longer in-use for oil and gas operations, the surface will be reclaimed as pastureland according to State regulations in-place at the time of final site decommissioning and abandonment.

6.0 Proposed Schedule

- May 1, 2026 – Second Revised Remediation Plan approved by SLO-ECO and NMOCD.

K&M Resources LLC

Phillips State #002

2nd Revised Remediation Work Plan

April 2026

-
- May 15, 2026 – EM survey. Evaluate results.
 - June 1, 2026 – Arrange schedule with excavation contractor.
 - June 15, 2026 – Execution of remediation activities.
 - June 22, 2026 – Sampling of AOIs and for delineation.
 - July 15, 2026 – Surface restoration as an active production pad.

7.0 Limitations

This report has been prepared for the sole benefit of K&M Resources LLC. This document may not be used by any other person or entity, with the exception of the New Mexico State Land Office, without the express written consent of Vertex Resource Services Inc. (Vertex) and K&M Resources LLC. Any use of this report by a third party, or any reliance on decisions made based on it, or damages suffered as a result of the use of this report are the sole responsibility of the user.

The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

8.0 References

- Google Inc. (2025). *Google Earth Pro (Version 7.3.3)* [Software]. Retrieved from <https://earth.google.com>
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10.0 Limitations

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Tables



10/10/2025

Table A
Initial Soil Sampling
Summary of Analytical

K&M Resources LLC
Phillips State #2
API: 30-025-28670

Sample ID	Date	Discrete Depth (Feet)	Top Depth (Feet)	Bottom Depth (Feet)	Location (on/off site)	Chloride (mg/kg)	GRO+DRO (mg/kg)	TPH Ext. (mg/kg)	Benzene (mg/kg)	BTEX (mg/kg)	Comments	Lab	Lab #
Closure Criteria													
0 - 4 feet & "not in-use"						600	--	100	10	50			
> 4 ft or "in-use"						10,000	1,000	2,500	10	50			
Base Samples													
BS25-01	8/15/2025	2			On-Site	1,060	24	38	ND	ND		Cardinal	H255104
BS25-02	8/15/2025	0.25			On-Site	ND	6,000	8,270	ND	ND		Cardinal	H255104
BS25-03	8/15/2025	0.25			On-Site	704	18,500	23,120	ND	ND		Cardinal	H255104
BS25-04	8/15/2025	0.25			On-Site	1,900	522	797	ND	ND		Cardinal	H255104
BS25-05	8/15/2025	0.25			On-Site	384	4,691	5,931	ND	ND		Cardinal	H255104
BS25-06	8/15/2025	0.25			On-Site	1,340	2,270	3,232	ND	ND		Cardinal	H255104
Wall Samples													
WS25-01	8/15/2025		0	2	On-Site	112	2,480	3,067	ND	ND	Below east tank	Cardinal	H255104
WS25-02	8/15/2025		0	2	On-Site	48	402	740	ND	ND		Cardinal	H255104
WS25-03	8/15/2025		0	2	On-Site	ND	ND	ND	ND	ND		Cardinal	H255104
WS25-04	8/15/2025		0	2	On-Site	32	37	67	ND	ND		Cardinal	H255104

Exceeds Closure Criteria

Client Name: K&M Resources LLC
 Site Name: Phillips State #002
 NMOCD Incident #: nAPP2533039712
 Project #: 25A-02813
 Lab Report: H260849

Table B. Borehole Program Summary of Analytical										
Sample Description			Petroleum Hydrocarbons							Inorganic
Sample ID	Depth (ft)	Sample Date	Volatile		Extractable					Chloride Concentration (mg/kg)
			Benzene (mg/kg)	BTEX (Total) (mg/kg)	Gasoline Range Organics (GRO) (mg/kg)	Diesel Range Organics (DRO) (mg/kg)	Motor Oil Range Organics (MRO) (mg/kg)	(GRO + DRO) (mg/kg)	Total Petroleum Hydrocarbons (TPH) (mg/kg)	
BH26-01	0	February 11, 2026	ND	ND	ND	1,210	413	1,210	1,623	656
	2	February 11, 2026	ND	ND	ND	240	92	240	332	688
	4	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	640
	6	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	928
	10	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	704
	20	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	624
BH26-02	0	February 11, 2026	ND	ND	ND	1,630	480	1,630	2,110	160
	2	February 11, 2026	ND	ND	ND	332	150	332	482	352
	4	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	1,380
	6	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	1,420
	10	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	912
	24	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	1,010
BH26-03	0	February 11, 2026	ND	ND	ND	8,680	2,520	8,680	11,200	64
	2	February 11, 2026	ND	ND	ND	704	309	704	1,013	176
	4	February 11, 2026	ND	ND	ND	76	32	76	109	96
	6	February 11, 2026	ND	ND	ND	13	ND	13	13	96
	10	February 11, 2026	ND	ND	ND	ND	ND	ND	ND	128
Background borehole at Phillips State #1 for Incident # nAPP2533038983										
BG26-01	0	February 10, 2026	ND	ND	ND	ND	ND	ND	ND	32
	2	February 10, 2026	ND	ND	ND	ND	ND	ND	ND	96
	4	February 10, 2026	ND	ND	ND	ND	ND	ND	ND	128
	6	February 10, 2026	ND	ND	ND	ND	ND	ND	ND	160
	14	February 10, 2026	ND	ND	ND	ND	ND	ND	ND	176

"ND" Not Detected at the Reporting Limit
 "-" indicates not analyzed/assessed

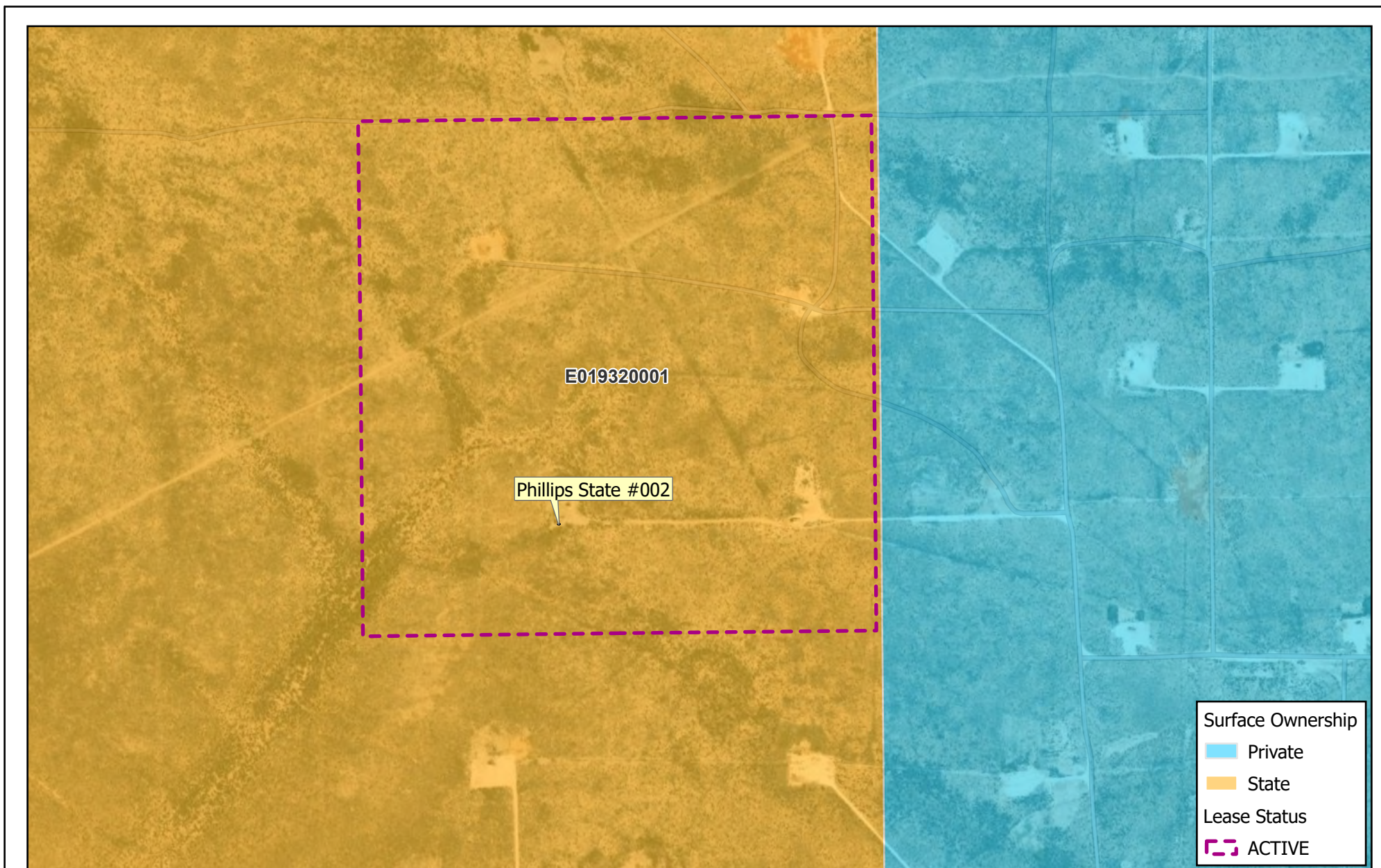
Bold and grey shaded indicates exceedance outside of NMOCD Closure Criteria (on-pad)



Figures



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

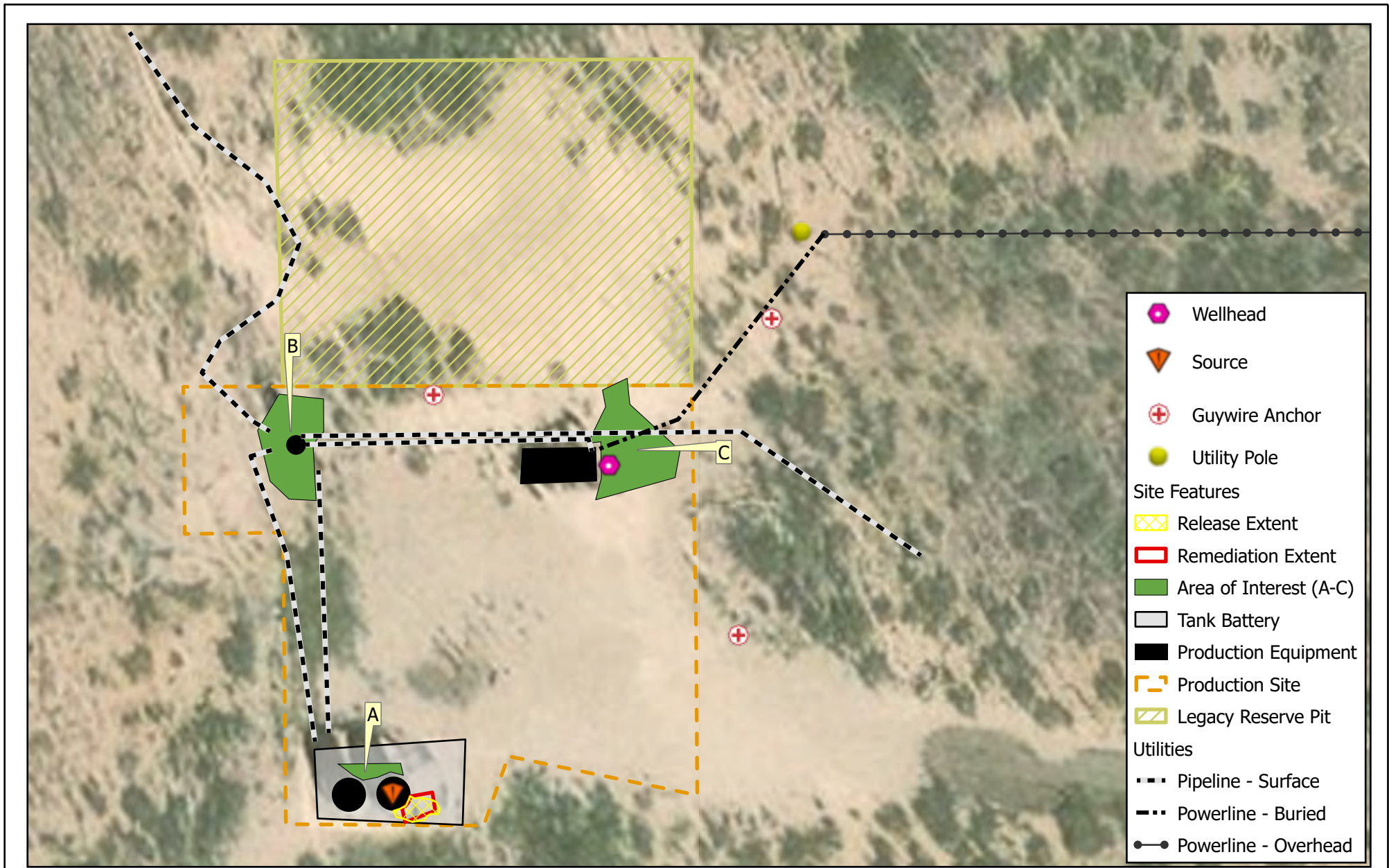


	<p>Map Center: Lat/Long: 32.40889°N, 103.349777°W</p> <p>Date: Jun 17/25</p> <p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>		<p>Lease Boundary Phillips State #002</p>	<p>FIGURE: 1</p>	<p>K&M Resources</p>
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Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes.

Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

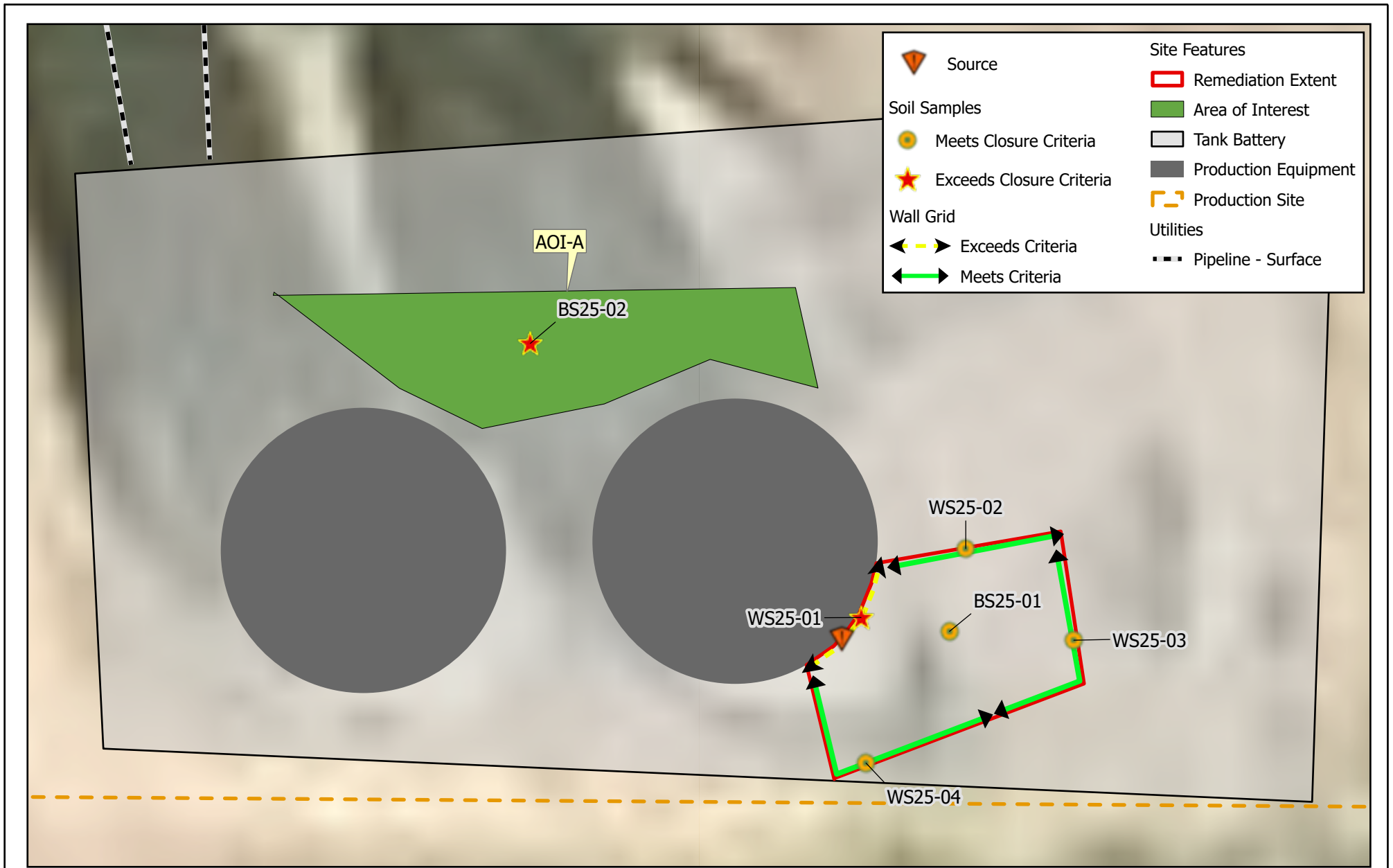
VERSATILITY. EXPERTISE.



- Wellhead
- Source
- Guywire Anchor
- Utility Pole
- Site Features**
- Release Extent
- Remediation Extent
- Area of Interest (A-C)
- Tank Battery
- Production Equipment
- Production Site
- Legacy Reserve Pit
- Utilities**
- Pipeline - Surface
- Powerline - Buried
- Powerline - Overhead

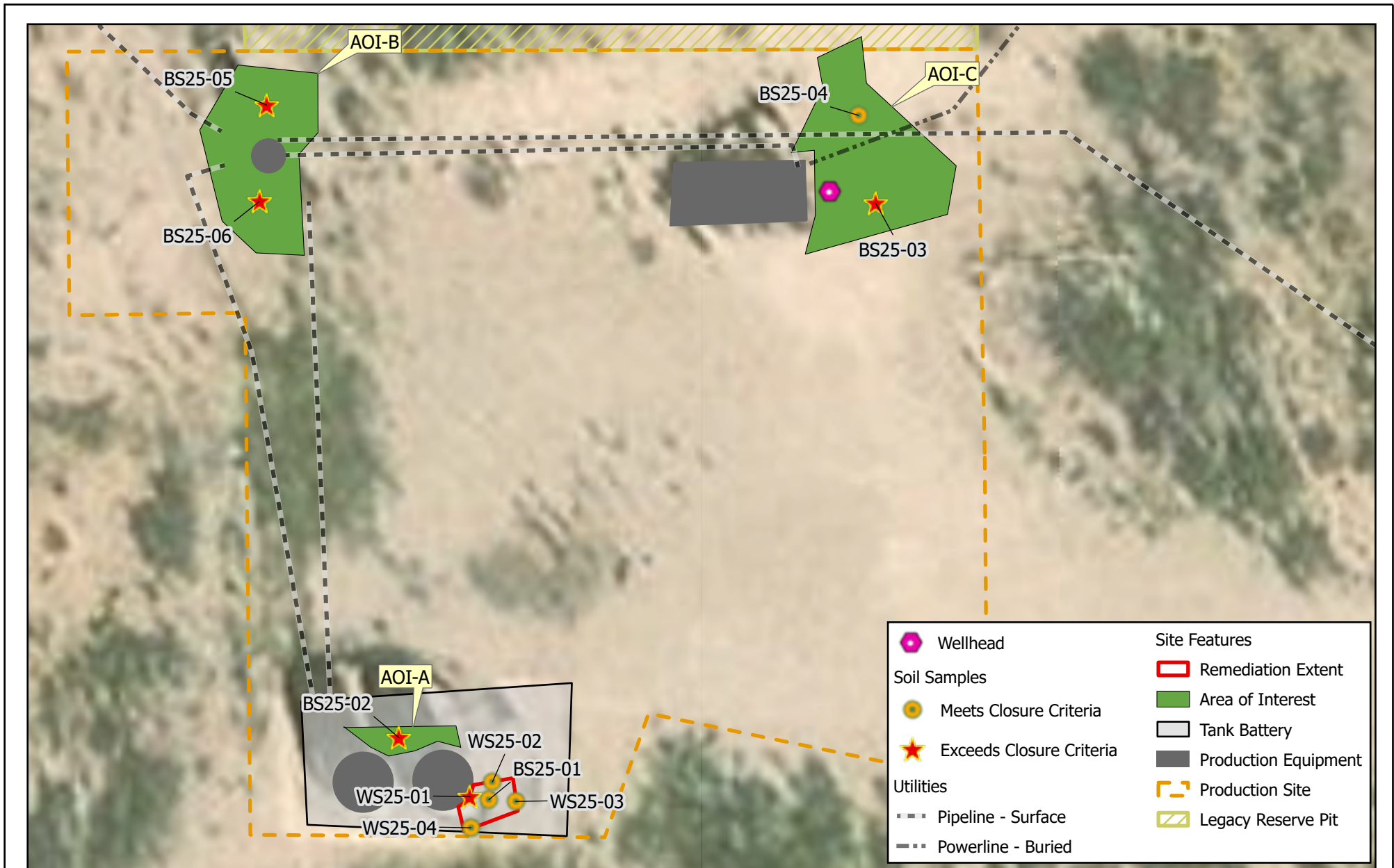
	<p>Map Center: Lat/Long: 32.408114°N, 103.351848°W</p> <p>Date: Oct 10/25</p> <p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>		<p>Site Features on Current Aerial Image Phillips State #002</p>	<p>FIGURE: 2</p>	<p>K&M Resources</p>
--	---	--	--	-----------------------------	--

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.



	Map Center: Lat/Long: 32.407845°N, 103.352145°W Date: Oct 10/25		Tank Battery Sampling Locations Phillips State #002	FIGURE: 3	K&M Resources
	0 3 6 ft NAD 1983 StatePlane New Mexico East FIPS 3001 Feet				

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	<p>0 10 20 ft</p> <p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>	<p>Map Center: Lat/Long: 32.407985°N, 103.352002°W</p> <p>Date: Oct 10/25</p> <p>N</p>	<p>Soil Sample Locations Phillips State #002</p>	<p>FIGURE: 4</p>	<p>K&M Resources</p>
--	---	--	---	-----------------------------	-------------------------------------

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Map Center:
Lat/Long: 32.407989°N, 103.351994°W

Date: Apr 09/26

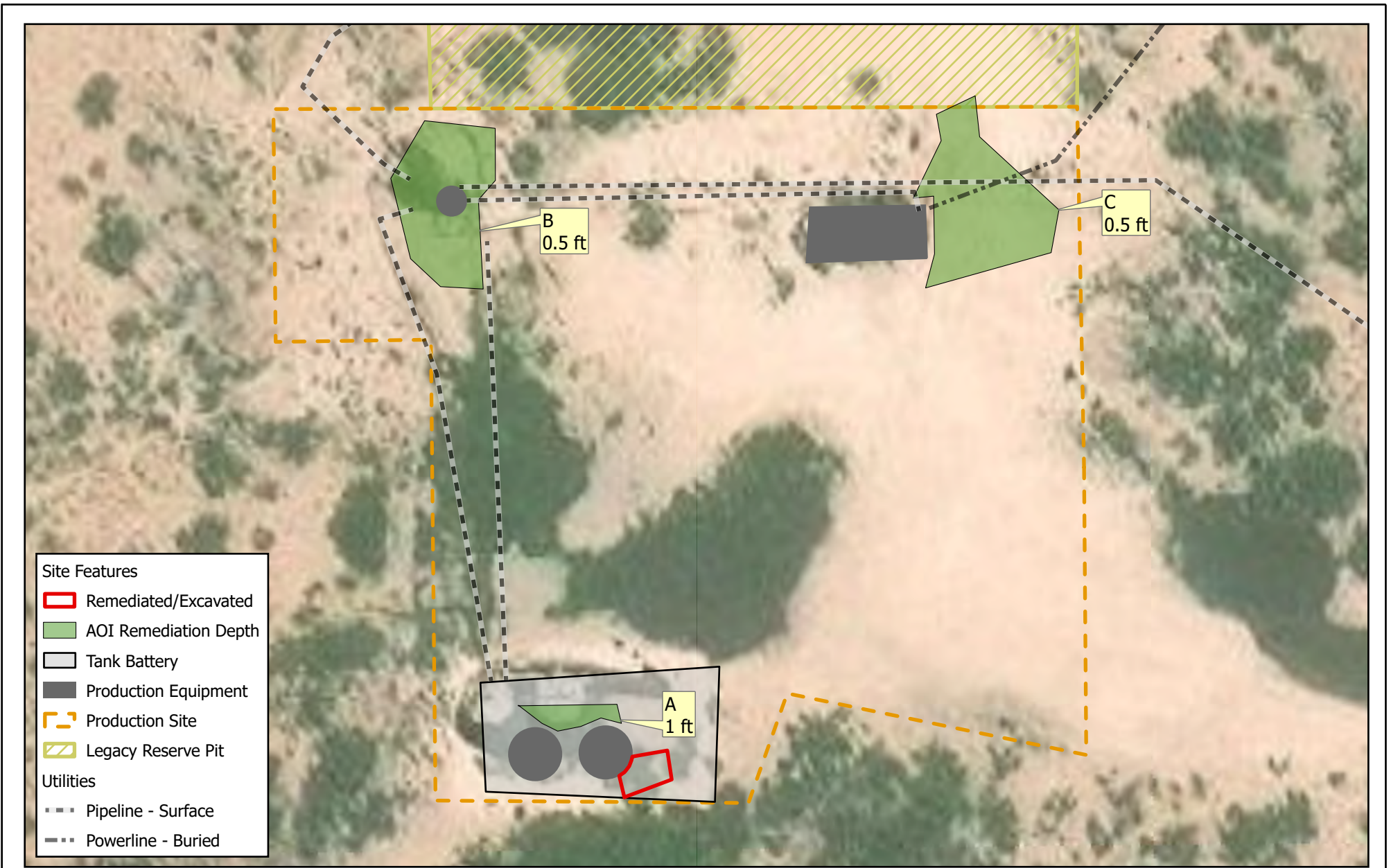
NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

**Sample Borings Locations
Phillips State #002**

FIGURE: **5**

**K&M
Resources**

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.



	<p>Map Center: Lat/Long: 32.407992°N, 103.352085°W</p> <p>Date: Apr 09/26</p> <p>0 10 20 ft NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>	<p>Remediation/Restoration Extents with Depths Phillips State #002</p>	<p>FIGURE: 6</p>	<p>K&M Resources</p>
--	--	--	-----------------------------	--

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

Appendix A

Well Operator



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505
Change of Operator

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

Previous Operator Information

New Operator Information

		Effective Date:	<input type="text" value="Effective on the date of approval by the OCD"/>
OGRID:	<u>19381</u>	OGRID:	<u>330662</u>
Name:	<u>ROBERT H FORREST JR OIL LLC</u>	Name:	<u>K&M RESOURCES LLC</u>
Address:	<u>609 Elora Dr.</u>	Address:	<u>P.O. BOX 1540</u>
City, State, Zip:	<u>Carlsbad, NM 88220</u>	City, State, Zip:	<u>ARTESIA, NM 88211</u>

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, K&M RESOURCES LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(l) NMAC.

K&M RESOURCES LLC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, K&M RESOURCES LLC agrees to the following statements:

1. Initials CS I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. Initials CS I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
3. Initials CS I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
4. Initials CS I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials CS I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. Initials CS I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
7. Initials CS I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials CS For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
9. Initials CS I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. Initials CS If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
11. Initials CS No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
12. Initials CS NMOCDC Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator

Signature:

Robert H. Forrest

Printed Name:

Robert H. Forrest

Title:

Owner Operator

Date:

4-22-21

Phone:

575-302-1011

New Operator

Signature:

Chance L. Scarborough

Printed Name:

Chance L. Scarborough

Title:

Member

Date:

4-22-21

Phone:

575-703-0379

Permit 216055

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Wells Selected for Transfer

Permit 216055

12 Wells Selected for Transfer

From: ROBERT H FORREST JR OIL LLC	OGRID: 19381
To: K&M RESOURCES LLC	OGRID: 330662

OCD District Hobbs (3 Wells selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
330755	OYSTER #001	P	N-22-19S-35E	N	30-025-33525	96666	PEARL; SAN ANDRES, NORTH	O
330756	PHILLIPS STATE #001	S	H-10-22S-35E	H	30-025-28548	33820	JALMAT; TAN-YATES-7 RVRS (OIL)	O
	PHILLIPS STATE #002	S	G-10-22S-35E	G	30-025-28670	33820	JALMAT; TAN-YATES-7 RVRS (OIL)	O

OCD District: Artesia (9 Wells selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
330760	BOOTH BP FEDERAL #003	F	L-23-26S-29E	L	30-015-25186	8080	BRUSHY DRAW; DELAWARE	O
330752	ERWIN FEDERAL #001	F	P-09-18S-31E	P	30-015-05508	56439	SHUGART; YATES-7RS-QU-GRAYBURG	O
330753	HOLLY A FEDERAL #001	F	2-31-16S-30E	E	30-015-25327	57570	SQUARE LAKE; GRAYBURG-SAN ANDRES	O
330754	KERSEY #001Y	S	K-33-18S-28E	K	30-015-21484	3230	ARTESIA; QUEEN-GRAYBURG-SAN ANDRES	O
330757	RML FEDERAL #001	F	M-26-22S-28E	M	30-015-23895	30670	HERRADURA BEND; DELAWARE, EAST	O
330758	TOOMEY ALLEN #009	S	P-28-18S-28E	P	30-015-02102	3230	ARTESIA; QUEEN-GRAYBURG-SAN ANDRES	O
	TOOMEY ALLEN #010	S	P-28-18S-28E	P	30-015-24260	3230	ARTESIA; QUEEN-GRAYBURG-SAN ANDRES	O
	TOOMEY ALLEN #011	S	P-28-18S-28E	P	30-015-24483	3230	ARTESIA; QUEEN-GRAYBURG-SAN ANDRES	O
330759	VAQUERO #001	S	P-02-18S-28E	P	30-015-24783	3230	ARTESIA; QUEEN-GRAYBURG-SAN ANDRES	O

Appendix B

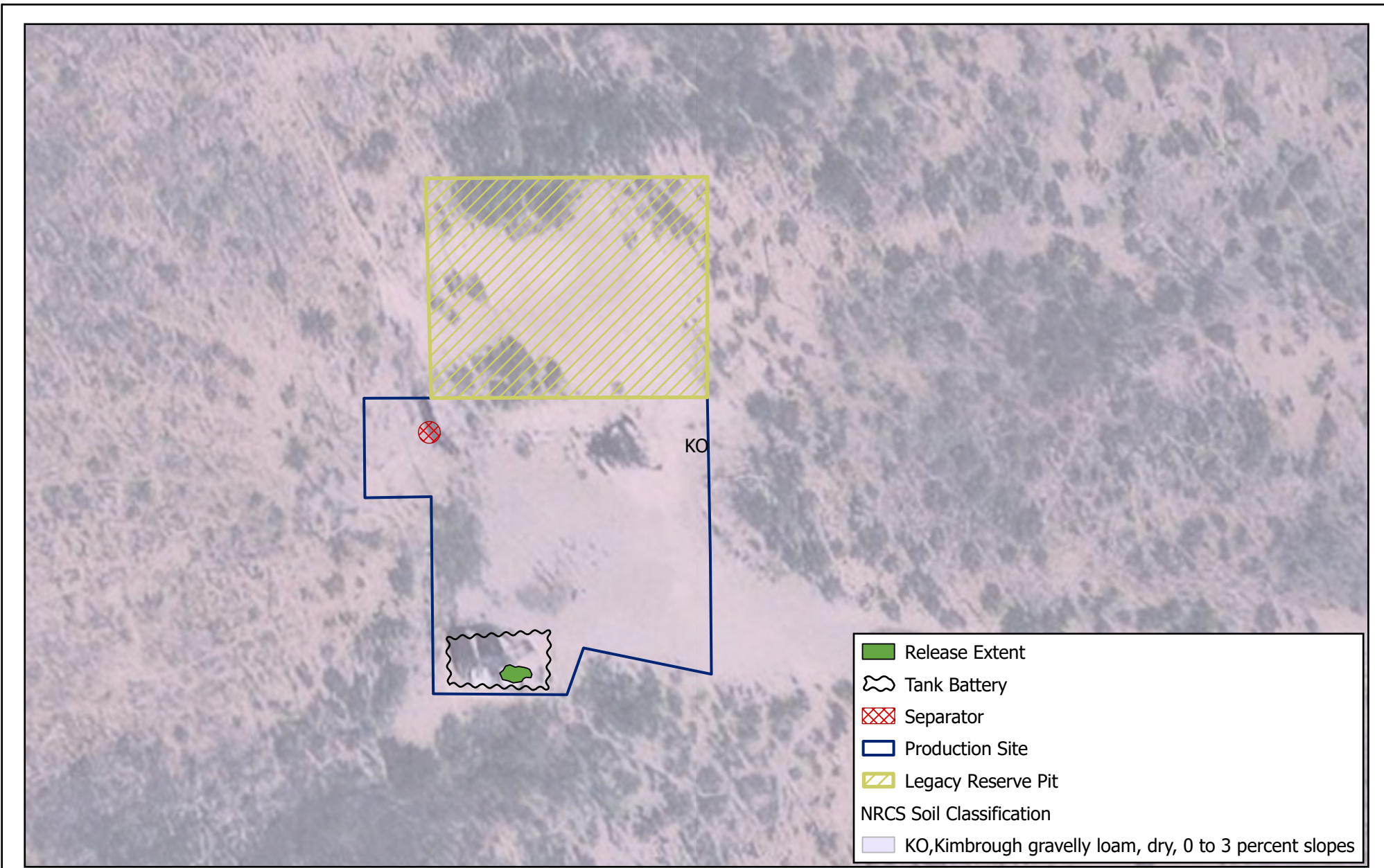
Siting Criteria



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

Phillips State #002
 K&M Resources LLC
 32.4078353, -103.3521420
 Unit Letter G. Sec 10, T22S.R35E.

Table B-1. Siting Criteria	
What is the shallowest depth to groundwater (ft bgs)	80 ft
What measure was used to determine this?	OFR-95
Did this release impact ground or surface water?	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
<ul style="list-style-type: none"> • A continuously flowing watercourse or any other significant watercourse. 	490 ft NW
<ul style="list-style-type: none"> • Any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark). 	0.92 miles NE
<ul style="list-style-type: none"> • An occupied permanent residence, school, hospital, institution or church. 	4.11 miles NW.
<ul style="list-style-type: none"> • A spring or private domestic fresh water well used by less than five households for domestic or stock watering purposes. 	1.41 miles SE (stock)
<ul style="list-style-type: none"> • Any other fresh water well or spring. 	
<ul style="list-style-type: none"> • Incorporated municipal boundaries or a defined municipal fresh water well field. 	11 miles ENE
<ul style="list-style-type: none"> • A wetland. 	0.47 miles SW
<ul style="list-style-type: none"> • A subsurface mine. 	9.4 miles W.
<ul style="list-style-type: none"> • A (non-karst) unstable area. 	25 miles W.
<ul style="list-style-type: none"> • Categorize the risk of this well/site being in a karst geology. 	Low
<ul style="list-style-type: none"> • A 100-year floodplain. 	11.14 miles ENE
Did the release impact areas not on an exploration, development, production, or storage site?	No.

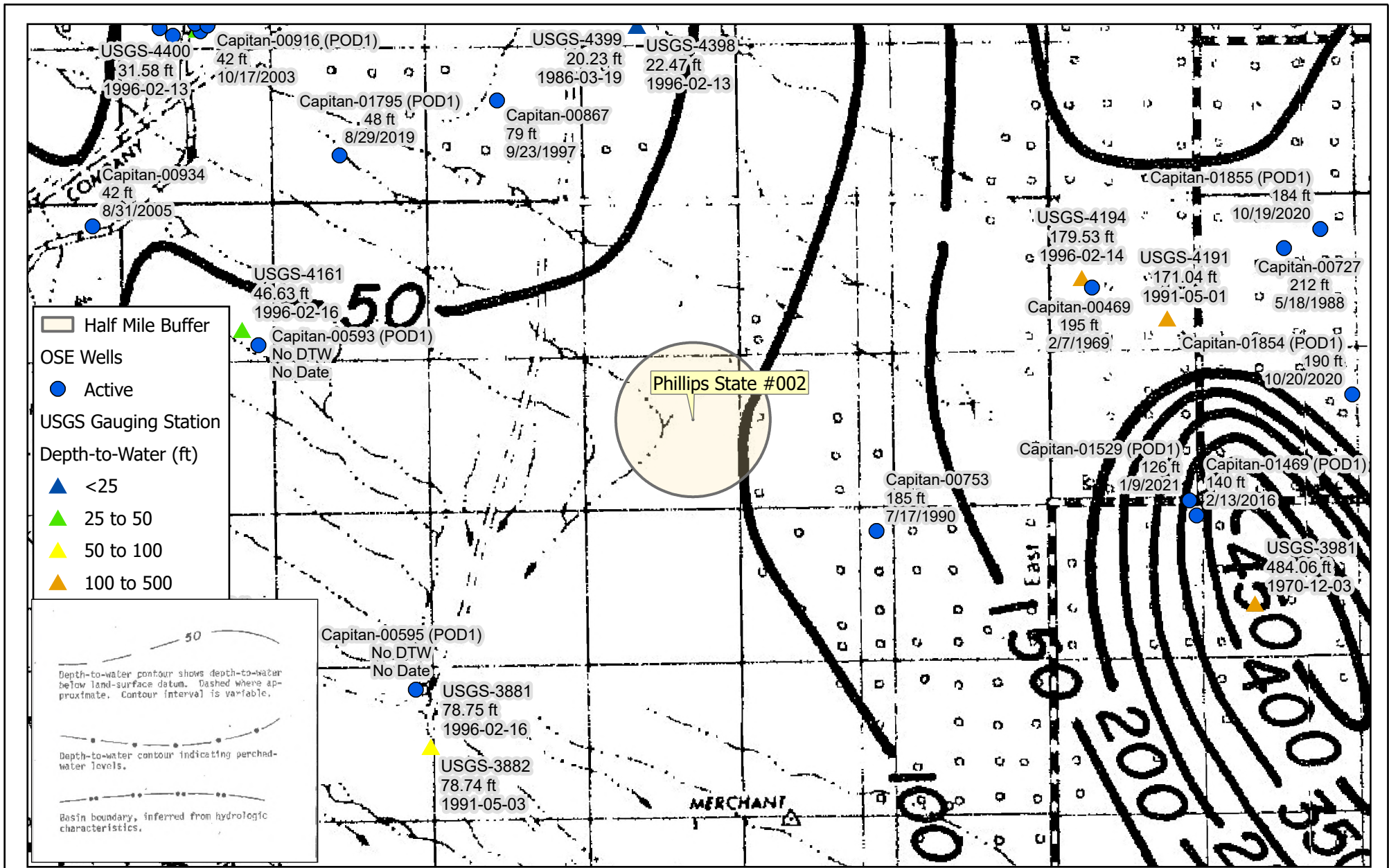


	<p>Map Center: Lat/Long: 32.408105°N, 103.35187°W</p> <p>Date: Jun 16/25</p> <p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>		<p>Soil Classification Phillips State #002</p>	<p>PLATE:</p> <p>1</p>	<p>K&M Resources</p>
	<p>0 30 60 ft</p>				

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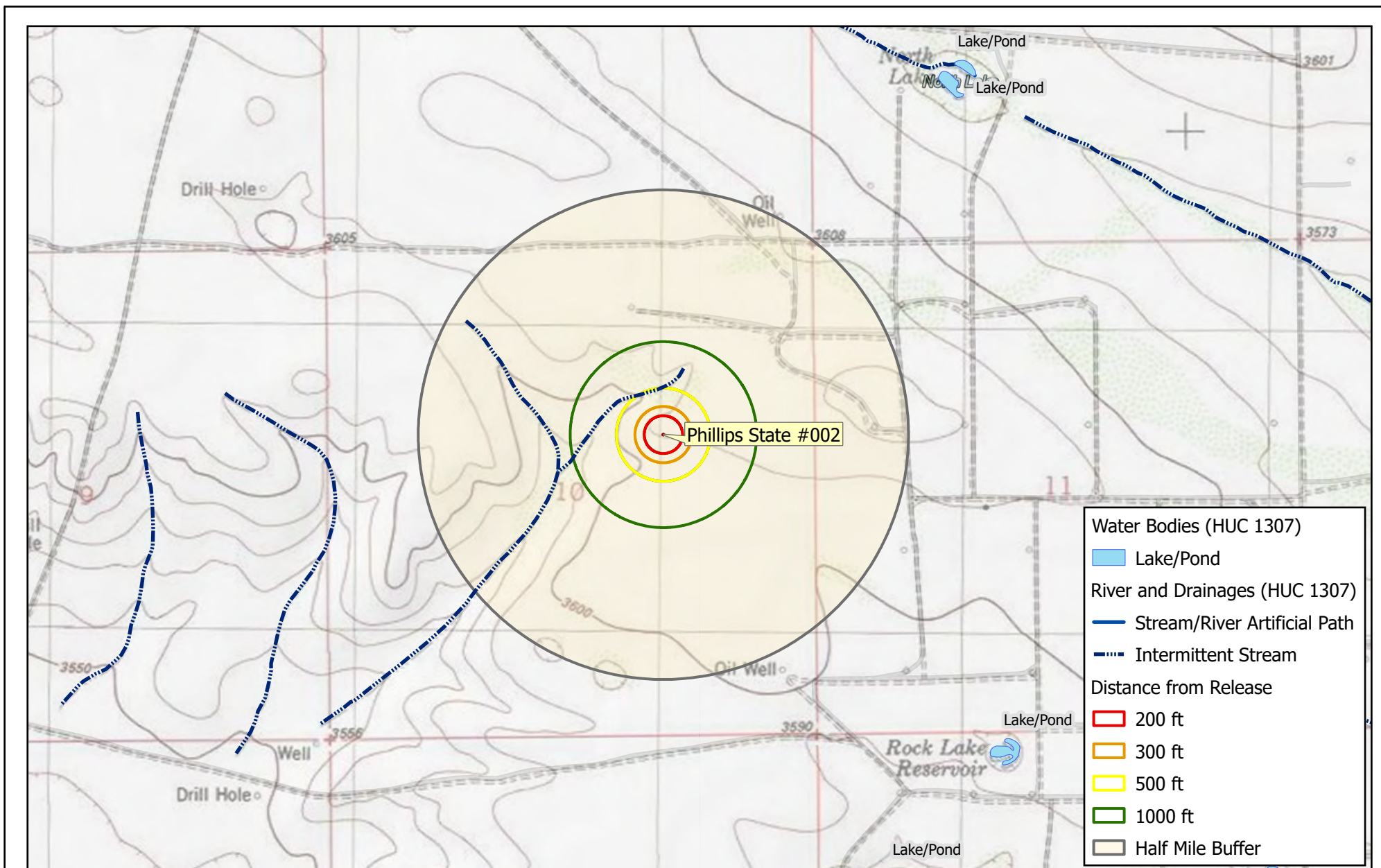
Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

VERSATILITY. EXPERTISE.



	Map Center: Lat/Long: 32.405396°N, 103.351475°W Date: Apr 09/26		Depth to Groundwater Phillips State #002		PLATE: 2	K&M Resources
	0 0.5 1 Miles NAD 1983 StatePlane New Mexico East FIPS 3001 Feet					

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VERTEX

Map Center:
Lat/Long: 32.40743°N, 103.350863°W

Date: Jun 16/25

0 1,000 2,000 ft

NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

N

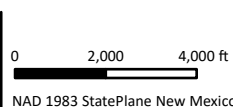
**Surface Water
Phillips State #002**

PLATE:
3

**K&M
Resources**

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Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.



Map Center:
Lat/Long: 32.401815°N, 103.388589°W

Date: Jun 17/25



Nearest Occupied Structure
Phillips State #002

PLATE:

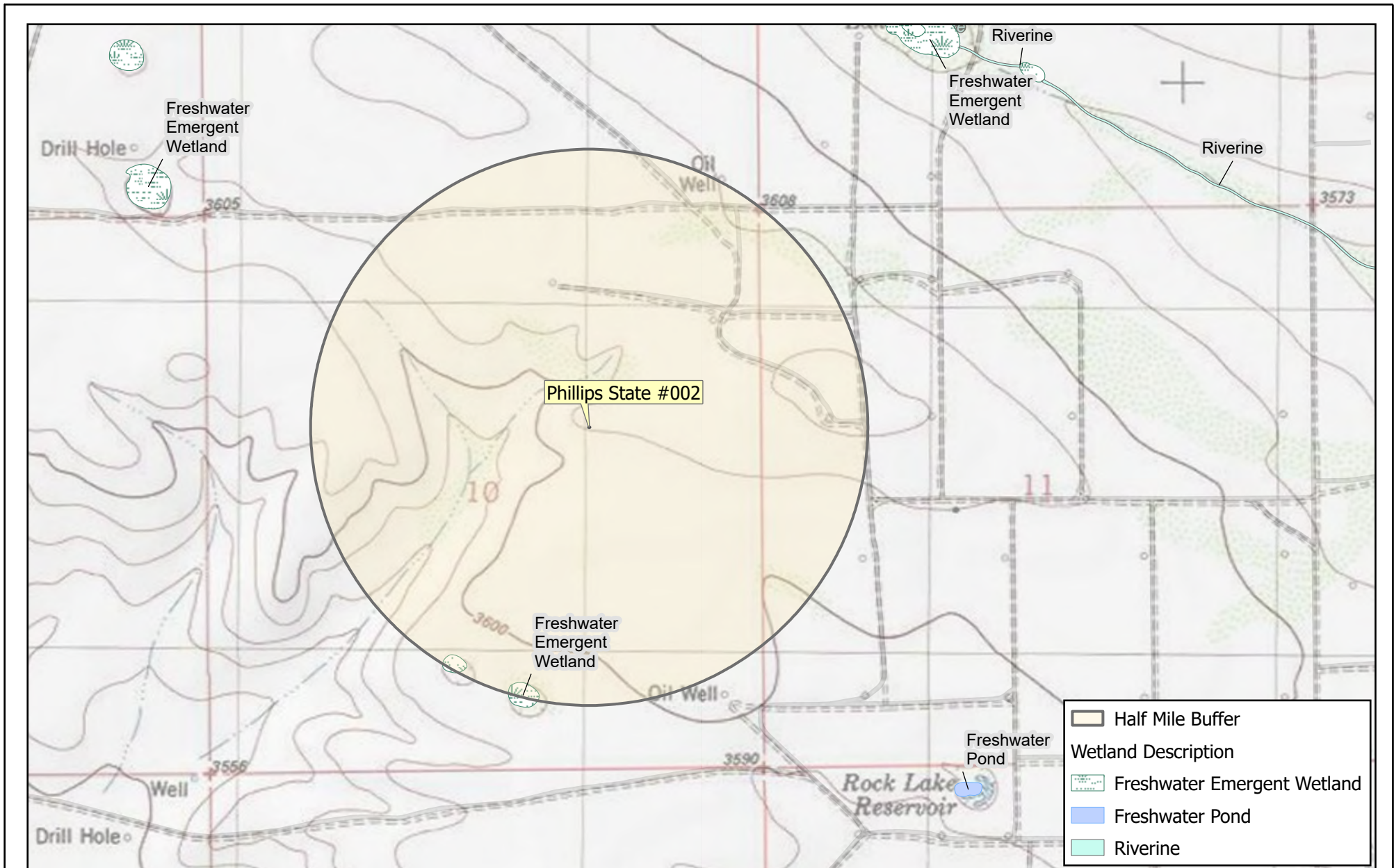
4

K&M
Resources

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Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

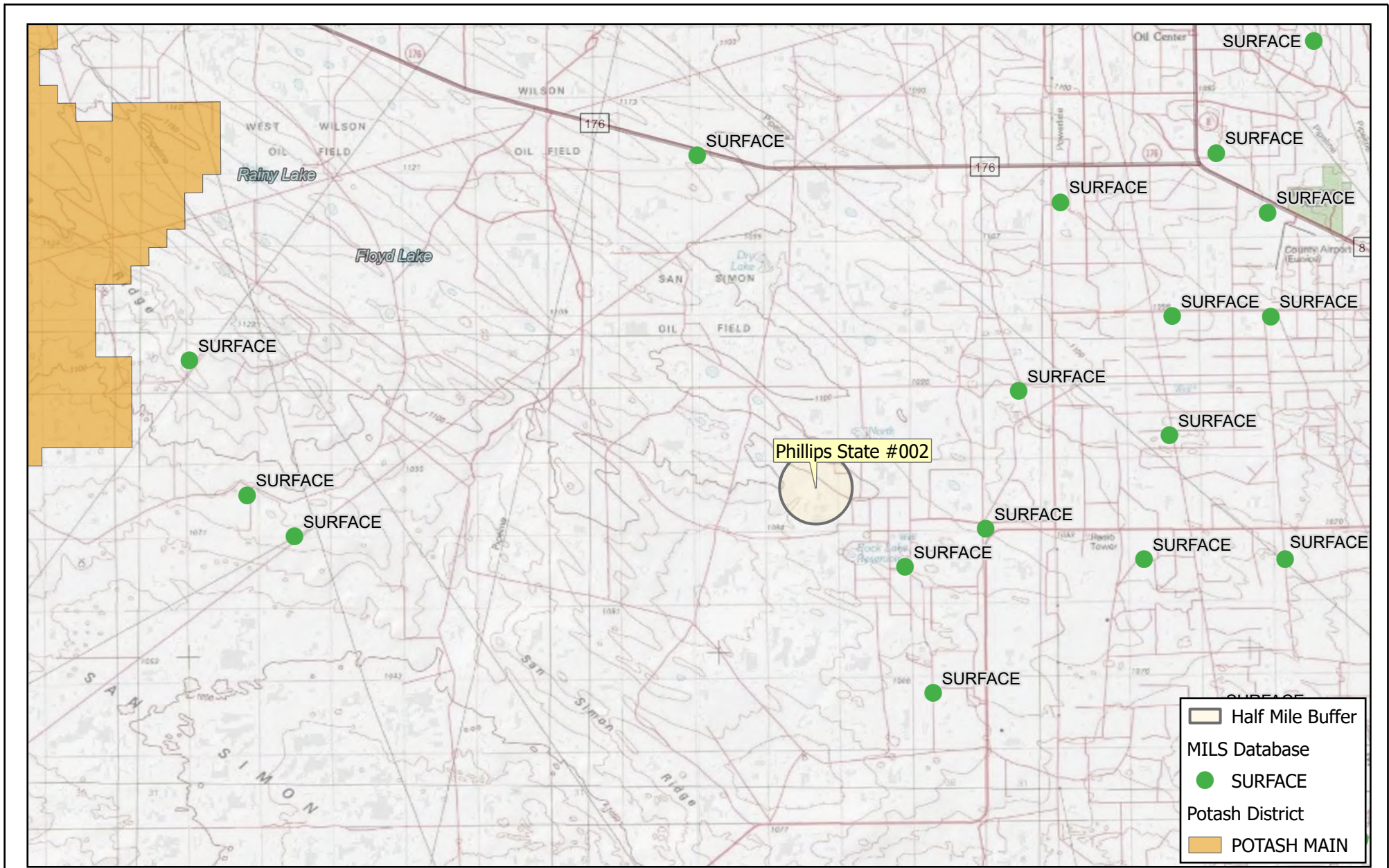
VERSATILITY. EXPERTISE.



	<p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>	<p>Map Center: Lat/Long: 32.407294°N, 103.348673°W</p> <p>Date: Jun 17/25</p>	<p>Wetlands Phillips State #002</p>	<p>PLATE:</p>	<p>K&M Resources</p>
				<p>5</p>	

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

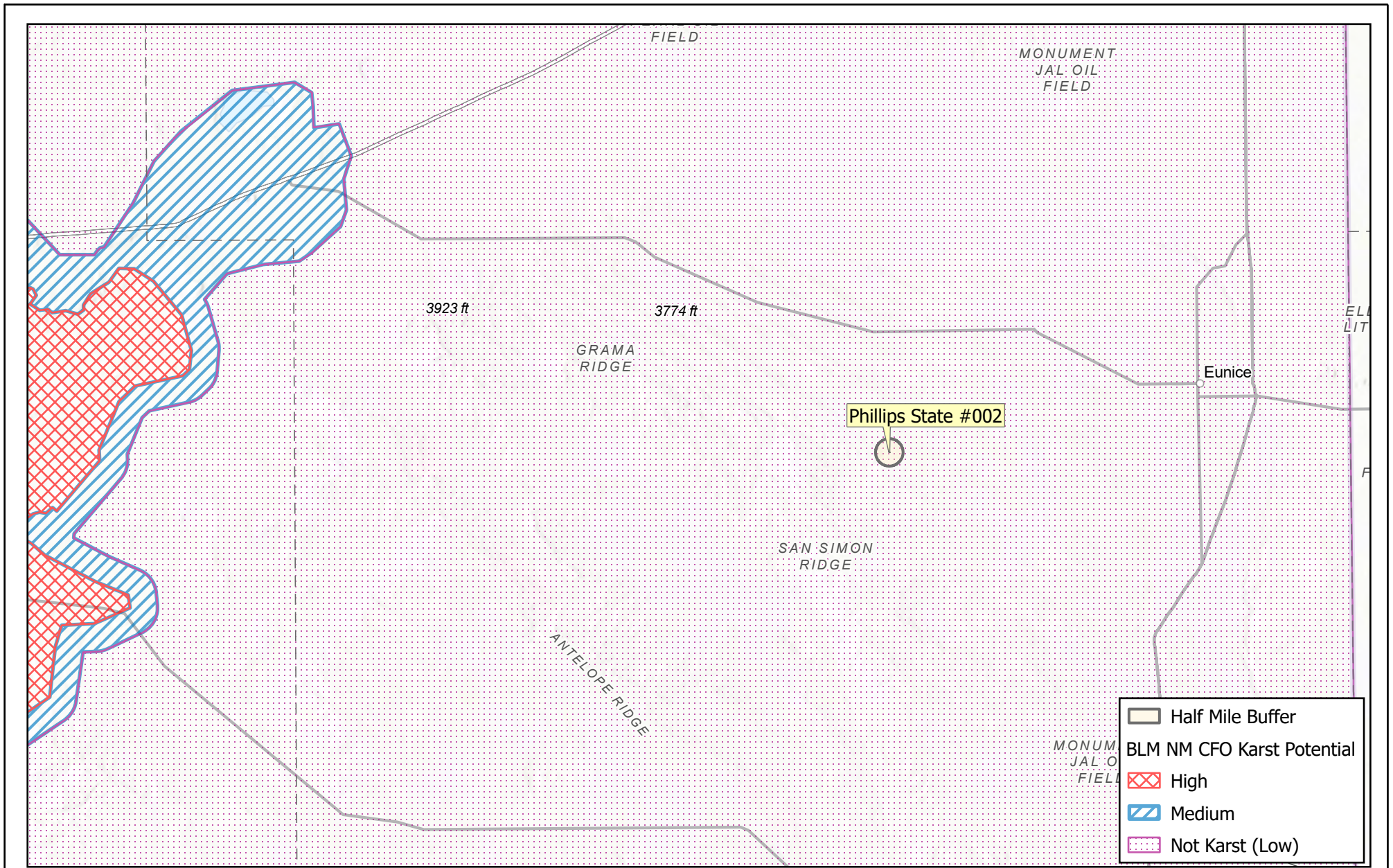
VERSATILITY. EXPERTISE.



	Map Center: Lat/Long: 32.416505°N, 103.37959°W		Mines and Minerals Phillips State #002		PLATE: 6	K&M Resources
	Date: Jun 17/25 NAD 1983 StatePlane New Mexico East FIPS 3001 Feet					

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes. Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

VERSATILITY. EXPERTISE.



	0 2.5 5 Miles NAD 1983 StatePlane New Mexico East FIPS 3001 Feet	Map Center: Lat/Long: 32.412328°N, 103.470612°W Date: Jun 17/25		Karst Potential Phillips State #002	PLATE: 7	K&M Resources
	Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes.				Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.	

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	<p>Map Center: Lat/Long: 32.402141°N, 103.291221°W</p> <p>Date: Jun 17/25</p> <p>0 1.5 3 Miles</p> <p>NAD 1983 StatePlane New Mexico East FIPS 3001 Feet</p>	<p>Flood Hazard Phillips State #002</p>	<p>PLATE: 8</p>	<p>K&M Resources</p>
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Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

Appendix C

Well Logs



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

Revised June 1972

STATE ENGINEER OFFICE
WELL RECORD

475984

Section 1. GENERAL INFORMATION

(A) Owner of well Merchant Livestock Company Owner's Well No. _____
Street or Post Office Address Box 1115
City and State Emilio, NM 88231

Well was drilled under Permit No. CP-753 and is located in the:
a. _____ ¼ _____ ¼ NE ¼ NE ¼ of Section 14 Township 22S Range 35 N.M.P.M.
b. Tract No. _____ of Map No. _____ of the _____
c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.
d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in
the _____ Grant.

(B) Drilling Contractor W. L. VanNoy License No. WD_208
Address P.O. Box 7, Oil Center, NM 88266

Drilling Began 7-11-90 Completed 7-18-90 Type tools Cable Size of hole 10 in.
Elevation of land surface or _____ at well is _____ ft. Total depth of well 215 ft.
Completed well is shallow artesian. Depth to water upon completion of well 185 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
195	210	15	water bearing sand	23

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
5"	PVC		0	215			201	211

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				

STATE ENGINEER OFFICE
 SANTA FE NEW MEXICO
 90 SEP 7 AM 10 02

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received July 23, 1990 Quad _____ FWL _____ FSL _____
File No. CP-753 Use STOCK Location No. 22.35.14.22131

Appendix D

Biological Review



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

Printable Reports		
Agency	Report	Result
US Fish & Wildlife	Information for Planning and Consultation (IPaC)	-----
	(Potentially) Endangered Species	3
	Bald & Golden Eagles	0
	Migratory Birds	0
	Facilities	0
	Wetlands	0
Vertex "Habitats" GIS Map		
Agency	Layer	Result
BLM	Special Status Plant and Wildlife Habitat	-----
	Potential Habitat (Planning Area Only)	None
	Dunes Sage Brush Lizard	None
	Lesser Prairie Chicken	None
	Lesser Prairie Chicken Timing Restriction	None
	Natl Designated Areas of Critical Environmental Concern	None
	NM Game and Fish	
	NM Crucial Habitat Assessment Tool (NM CHAT)	-----
	Crucial Habitat	4
	Species of Concern	4
	Large Natural Areas	2
	Natural Vegetation	0/6
	Terrestrial SERI	3
	Aquatic SERI	6
	Fresh Water Integrity	5
	Weland and Riparian Areas	0/6
	NM State Wildlife Action Plan (SWAP) Macrogroups	Chihuahuan Desert Scrub
	NM Important Plant Areas	None
	Riparian Corridors	-----
	Upper Rio Grande	None
	Middle Rio Grande	None
	Canadian Upper Pecos	None
	Gila Region San Juan	None
	Lower Pecos Tularosa basin	None
	NM Riparian Corridor	None
US Fish & Wildlife		
	Critical Habitat for Threatened and Endangered Species	None
NM Natural Heritage		
	Federal Threatened and Endangered (Fed T&E)	None
	State Threatened and Endangered (State T&E)	None
NM State Forestry		
	Important Plant Area (IPA)	None

IPaC resource list

This report is an automatically generated list of species and other resources such as critical habitat (collectively referred to as *trust resources*) under the U.S. Fish and Wildlife Service's (USFWS) jurisdiction that are known or expected to be on or near the project area referenced below. The list may also include trust resources that occur outside of the project area, but that could potentially be directly or indirectly affected by activities in the project area. However, determining the likelihood and extent of effects a project may have on trust resources typically requires gathering additional site-specific (e.g., vegetation/species surveys) and project-specific (e.g., magnitude and timing of proposed activities) information.

Below is a summary of the project information you provided and contact information for the USFWS office(s) with jurisdiction in the defined project area. Please read the introduction to each section that follows (Endangered Species, Migratory Birds, USFWS Facilities, and NWI Wetlands) for additional information applicable to the trust resources addressed in that section.

Location

Lea County, New Mexico



Local office

New Mexico Ecological Services Field Office

☎ (505) 346-2525

🏢 (505) 346-2542

2105 Osuna Road Ne

Albuquerque, NM 87113-1001

[listing status page](#) for more information. IPaC only shows species that are regulated by USFWS (see FAQ).

2. [NOAA Fisheries](#), also known as the National Marine Fisheries Service (NMFS), is an office of the National Oceanic and Atmospheric Administration within the Department of Commerce.

The following species are potentially affected by activities in this location:

Birds

NAME

STATUS

Lesser Prairie-chicken

Endangered

Tympanuchus pallidicinctus

No critical habitat has been designated for this species.

<https://ecos.fws.gov/ecp/species/1924>

Northern Aplomado Falcon *Falco*

[EXPN](#)

femorialis septentrionalis

No critical habitat has been designated for this species.

<https://ecos.fws.gov/ecp/species/1923>

Insects

NAME

STATUS

Monarch Butterfly Danaus
plexippus

Proposed
Threatened

Wherever found

There is **proposed** critical habitat for this species. Your location does not overlap the critical habitat.

<https://ecos.fws.gov/ecp/species/9743>

Critical habitats

Potential effects to critical habitat(s) in this location must be analyzed along with the endangered species themselves.

There are no critical habitats at this location.

You are still required to determine if your project(s) may have effects on all above listed species.

Bald & Golden Eagles

Bald and Golden Eagles are protected under the Bald and Golden Eagle Protection Act [2](#) and the Migratory Bird Treaty Act (MBTA) [1](#). Any person or organization who plans or conducts activities that may result in impacts to Bald or Golden Eagles, or their nests, should follow appropriate regulations and implement required avoidance and minimization measures, as described in the various links on this page.

The [data](#) in this location indicates that no eagles have been observed in this area. This does not mean eagles are not present in your project area, especially if the area is difficult to survey. Please review the 'Steps to Take When No Results Are Returned' section of the [Supplemental Information on Migratory Birds and Eagles document](#) to determine if your project is in a poorly surveyed area. If it is, you may need to rely on other resources to determine if eagles may be present (e.g. your local FWS field office, state surveys, your own surveys).

Additional information can be found using the following links:

- Eagle Management <https://www.fws.gov/program/eagle-management>
- Measures for avoiding and minimizing impacts to birds <https://www.fws.gov/library/collections/avoiding-and->

Vertical black lines superimposed on probability of presence bars indicate the number of surveys performed for that species in the 10km grid cell(s) your project area overlaps.

No Data ()

A week is marked as having no data if there were no survey events for that week.

Survey Timeframe

Surveys from only the last 10 years are used in order to ensure delivery of currently relevant information. The exception to this is areas off the Atlantic coast, where bird returns are based on all years of available data, since data in these areas is currently much more sparse.

Migratory birds

The Migratory Bird Treaty Act (MBTA) ¹ prohibits the take (including killing, capturing, selling, trading, and transport) of protected migratory bird species without prior [authorization](#) by the Department of Interior U.S. Fish and Wildlife Service (FWS). The incidental take of migratory birds is the injury or death of birds that results from, but is not the purpose, of an activity. The FWS interprets the MBTA to prohibit incidental take.

-
1. The [Migratory Birds Treaty Act](#) of 1918.
 2. The [Bald and Golden Eagle Protection Act](#) of 1940.

Additional information can be found using the following links:

- Eagle Management <https://www.fws.gov/program/eagle-management>
- Measures for avoiding and minimizing impacts to birds <https://www.fws.gov/library/collections/avoiding-and-minimizing-incident-take-migratory-birds>
- Nationwide avoidance and minimization measures for birds
- Supplemental Information for Migratory Birds and Eagles in IPaC <https://www.fws.gov/media/supplemental-information-migratory-birds-and-bald-and-golden-eagles-may-occur-project-action>

The [data](#) in this location indicates that no migratory birds of concern have been observed in this area. This does not mean [birds of concern](#) are not present in your project area, especially if the area is difficult to survey. Please review the 'Steps to Take When No Results Are Returned' section of the [Supplemental Information on Migratory Birds and Eagles document](#) to determine if your project is in a poorly surveyed area. If it is, you may need to rely on other resources to determine what migratory birds of concern may be present (e.g. your local FWS field office, state surveys, your own surveys).

Vertical black lines superimposed on probability of presence bars indicate the number of surveys performed for that species in the 10km grid cell(s) your project area overlaps.

No Data ()

A week is marked as having no data if there were no survey events for that week.

Survey Timeframe

Surveys from only the last 10 years are used in order to ensure delivery of currently relevant information. The exception to this is areas off the Atlantic coast, where bird returns are based on all years of available data, since data in these areas is currently much more sparse.

Facilities

National Wildlife Refuge lands

Any activity proposed on lands managed by the [National Wildlife Refuge](#) system must undergo a 'Compatibility Determination' conducted by the Refuge. Please contact the individual Refuges to discuss any questions or concerns.

There are no refuge lands at this location.

Fish hatcheries

There are no fish hatcheries at this location.

Wetlands in the National Wetlands Inventory (NWI)

Impacts to [NWI wetlands](#) and other aquatic habitats may be subject to regulation under Section 404 of the Clean Water Act, or other State/Federal statutes.

For more information please contact the Regulatory Program of the local [U.S. Army Corps of Engineers District](#).

This location did not intersect any wetlands mapped by NWI.

NOTE: This initial screening does **not** replace an on-site delineation to determine whether wetlands occur. Additional information on the NWI data is provided below.

Data limitations

Appendix E

Soil Boring Logs



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

Logger:		John Rewis		Client:		K&M Resources LLC		Borehole ID:		BH26-01	
Driller:		Earth Worx Environmental		Project Name:		Phillips State #002					
Drilling Method:		Direct Push (Geoprobe)		Location:		32.408034, -103.347945					
Start Date:		2.11.2026									
End Date:		2.11.2026									
Depth (feet)	Description	Lithology	Comments	EC (mS/cm)	Cl (mg/kg)	TPH Ext. (mg/kg)	Borehole Completion	Depth (feet)			
+1								+1			
+0.75								+0.75			
0.0	0 to 2 ft; Caliche; Dark Gray, Dry; Hydrocarbon Odor		Sampled at 0 ft	1691	656	1623		0.0			
1.0			Macro Core Refusal					1.0			
2.0			Sampled at 2 ft	1229	688	331.6		2.0			
3.0								3.0			
4.0	3 to 6 ft; Caliche; Light Gray; Moist; Mild Hydrocarbon Odor		Sampled at 4 ft	1199	640	<10.0		4.0			
5.0								5.0			
6.0			Sampled at 6 ft	1463	928	<10.0		6.0			
7.0								7.0			
8.0			Sampled at 8 ft	1313	-	-		8.0			
9.0								9.0			
10.0			Sampled at 10 ft	1057	704	<10.0		10.0			
11.0								11.0			
12.0			Sampled at 12 ft	1279	-	-		12.0			
13.0								13.0			
14.0			Sampled at 14 ft	1294	-	-		14.0			
15.0	7 to 24 ft; Caliche; Redish Tan; Dry; No Odor							Bentonite	15.0		
16.0			Sampled at 16 ft	1424	-	-			16.0		
17.0										17.0	
18.0			Sampled at 18 ft	1284	-	-			18.0		
19.0										19.0	
20.0			Sampled at 20 ft	881	624	<10.0			20.0		
21.0										21.0	
22.0			Sampled at 22 ft	948	-	-			22.0		
23.0						23.0					
24.0			Sampled at 24 ft	1428	-	-	24.0				



3101 Boyd Drive
Carlsbad, NM 88220

Lithologic Log

Delineation Boreholes

BH26-01

2.11.2026

Logger:		John Rewis		Client:			K&M Resources LLC			Borehole ID:					
Driller:		Earth Worx Environmental		Project Name:			Phillips State #002			BH26-02					
Drilling Method:		Direct Push (Geoprobe)		Location:			32.408034, -103.347945								
Start Date:		2.11.2026		EC			Borehole Completion								
End Date:		2.11.2026		CI			TPH Ext. <th colspan="2">Depth (feet)</th>			Depth (feet)					
Depth (feet)		Description		Lithology		Comments		EC (mS/cm)		CI (mg/kg)		TPH Ext. (mg/kg)		Depth (feet)	
+1														+1	
+0.75														+0.75	
0.0		0 to 2 ft Caliche; Dark Gray, Dry, Hydrocarbon Odor			Sampled at 0 ft	469	160	2110						0.0	
1.0					Macro Core Refusal									1.0	
2.0					Sampled at 2 ft	604	352	482						2.0	
3.0														3.0	
4.0					Sampled at 4 ft	2131	1380	<10.0						4.0	
5.0														5.0	
6.0					Sampled at 6 ft	3026	1420	<10.0						6.0	
7.0														7.0	
8.0					Sampled at 8 ft	2376	-	-						8.0	
9.0														9.0	
10.0					Sampled at 10 ft	1606	912	<10.0						10.0	
11.0														11.0	
12.0					Sampled at 12 ft	1991	-	-				Bentonite		12.0	
13.0														13.0	
14.0		3 to 24 ft Caliche; Tan, Dry; No Odor			Sampled at 14 ft	1988	-	-						14.0	
15.0														15.0	
16.0					Sampled at 16 ft	1565	-	-						16.0	
17.0														17.0	
18.0					Sampled at 18 ft	1650	-	-						18.0	
19.0														19.0	
20.0														20.0	
21.0														21.0	
22.0					Sampled at 22 ft	2068	-	-						22.0	
23.0														23.0	
24.0					Sampled at 24 ft	1846	1010	<10.0						24.0	

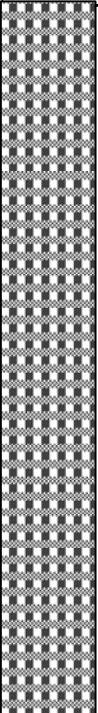

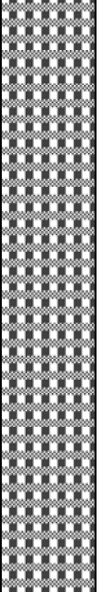



Lithologic Log


BH26-02

Delineation Boreholes

2.11.2026

Logger:		John Rewis		Client:		K&M Resources LLC		Borehole ID:		BH26-03		
Driller:		Earth Worx Environmental		Project Name:		Phillips State #002		Borehole Completion				
Drilling Method:		Direct Push (Geoprobe)		Location:		32.408034, -103.347945						
Start Date:		2.11.2026										
End Date:		2.11.2026										
Depth (feet)	Description	Lithology	Comments	EC (mS/cm)	Cl (mg/kg)	TPH Ext. (mg/kg)	Borehole Completion		Depth (feet)			
+1									+1			
+0.75									+0.75			
0.0	0 to 2 ft Caliche; Dark Gray, Dry, Hydrocarbon Odor		Sampled at 0 ft	750	64	11200		Bentonite	0.0			
1.0			Sampled at 2 ft	681	176	1013			1.0			
2.0	Sampled at 4 ft	532	96	108.5	2.0							
3.0	Sampled at 6 ft	548	96	13.2	3.0							
4.0	Sampled at 8 ft	534	-	-	4.0							
5.0	Sampled at 10 ft	495	128	<10.0	5.0							
6.0	Sampled at 12 ft	511	-	-	6.0							
7.0	Sampled at 14 ft	489	-	-	7.0							
8.0	Sampled at 16 ft	777	-	-	8.0							
9.0	Sampled at 18 ft	800	-	-	9.0							
10.0	3 to 18 ft; Caliche Tan; Dy; No Odor										10.0	
11.0											11.0	
12.0												12.0
13.0												13.0
14.0												14.0
15.0												15.0
16.0												16.0
17.0												17.0
18.0										18.0		

 3101 Boyd Drive Carlsbad, NM 88220	Lithologic Log	BH26-03
	Delineation Boreholes	2.11.2026

Logger:		John Rewis		Client:		K&M Resources LLC		Borehole ID:		BG26-01	
Driller:		Earth Worx Environmental		Project Name:		Phillips State #001					
Drilling Method:		Direct Push (Geoprobe)		Location:		32.408034, -103.347945					
Start Date:		2.10.2026									
End Date:		2.10.2026									
Depth (feet)	Description	Lithology	Comments	EC (mS/cm)	Cl (mg/kg)	TPH Ext. (mg/kg)	Borehole Completion	Depth (feet)			
+1								+1			
+0.75								+0.75			
0.0			Sampled at 0 ft	101	32	<10.0	Bentonite	0.0			
1.0	0 to 2 ft Silty Sand; Brown; Dry; No Odor		Macro-Core Refusal					1.0			
2.0			Sampled at 2 ft	340	96	<10.0		2.0			
3.0								3.0			
4.0	3 to 5 ft Caliche; Tan; Dry; No Odor		Sampled at 4 ft	1272	128	<10.0		4.0			
5.0								5.0			
6.0			Sampled at 6ft	643	160	<10.0		6.0			
7.0								7.0			
8.0								8.0			
9.0								9.0			
10.0	6 to 14 ft Caliche; Reddish Tan; Dry; No Odor		Sampled at 10 ft	692	-	-		10.0			
11.0								11.0			
12.0								12.0			
13.0								13.0			
14.0			Sampled at 14 ft	718	176	<10.0	14.0				
 3101 Boyd Drive Carlsbad, NM 88220		Lithologic Log					BG26-01				
		Delineation Boreholes					2.10.2026				

Appendix F

Daily Field Reports



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas



Daily Site Visit Report

Client:	<u>K&M Resources LLC</u>	Incident ID #:	_____
Site Location Name:	<u>Phillips State 002</u>	API #:	_____
Inspection Date:	<u>6/4/2025</u>		_____

Summary of Times

Arrived at Site	<u>6/4/2025 9:43 AM</u>
Departed Site	<u>6/4/2025 11:31 AM</u>

Daily Site Visit Report



Field Notes

9:53 Started JSA at previous location and added site specific details on arrival. On site to perform initial site assessment.

10:17 Site is tank battery (2 tanks) surrounded by earthen containment. Identified release source as hole in east tank and release area east and southeast of east tank. Release was within earthen containment.

10:21 Overnight precipitation resulted in damp soil inside containment. Identified and mapped edges of release area with Juniper Geode gps.

11:01 Photographed native vegetation off edges of pad.

Next Steps & Recommendations

1



Daily Site Visit Report

Site Photos

Viewing Direction: South



Descriptive Photo - 1
Viewing Direction: South
Desc: North of battery containment facing south.
Created: 5/4/2025 9:54:46 AM
Lat:32.407883, Long:-103.352107

North of battery containment facing south.

Viewing Direction: Northwest



Descriptive Photo - 2
Viewing Direction: Northwest
Desc: Southeast of east tank facing northwest.
Created: 5/4/2025 10:06:15 AM
Lat:32.407891, Long:-103.352106

Southeast of east tank facing northwest.

Viewing Direction: Northeast



Descriptive Photo - 3
Viewing Direction: Northeast
Desc: South of east tank facing northeast.
Created: 5/4/2025 10:09:51 AM
Lat:32.407894, Long:-103.352108

South of east tank facing northeast.

Viewing Direction: East



Descriptive Photo - 4
Viewing Direction: East
Desc: South of east tank facing east.
Created: 5/4/2025 10:09:51 AM
Lat:32.407894, Long:-103.352108

South of east tank facing east.



Daily Site Visit Report



Southeast of east tank facing north.



Southeast of east tank facing northwest.



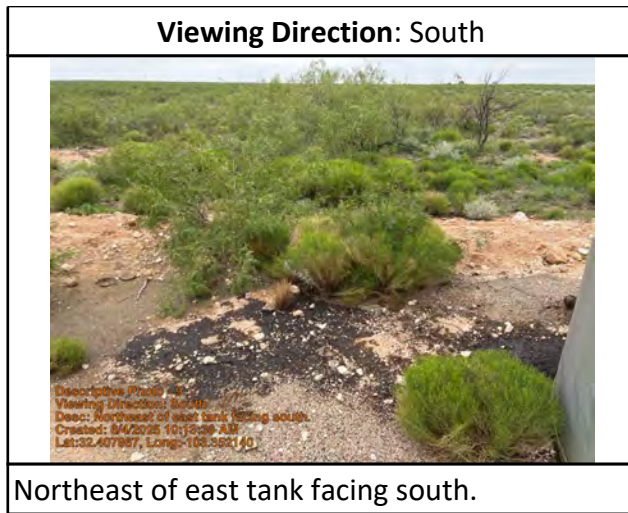
East of east tank facing west.



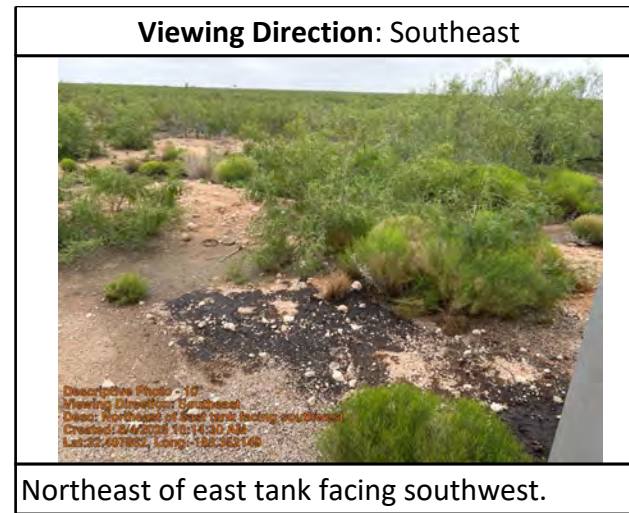
East of east tank facing southwest.



Daily Site Visit Report



Northeast of east tank facing south.



Northeast of east tank facing southwest.



South-southeast of east tank facing north.
Asphalt cropped out from base beneath tanks.




South edge of pad facing southeast into undisturbed pasture.



Daily Site Visit Report


Viewing Direction: South



Descriptive Photo - 13
Viewing Direction: South
Desc: South edge of pad facing south into undisturbed pasture.
Created: 6/4/2025 10:53:12 AM
Lat:32.407836, Long:-103.361865

South edge of pad facing south into undisturbed pasture.


Viewing Direction: Southwest



Descriptive Photo - 14
Viewing Direction: Southwest
Desc: South edge of pad facing southwest into undisturbed pasture.
Created: 6/4/2025 10:53:37 AM
Lat:32.407712, Long:-103.362238

South edge of pad facing southwest into undisturbed pasture.


Viewing Direction: Southwest



Descriptive Photo - 15
Viewing Direction: Southwest
Desc: South-Southwest of tank battery facing southwest into undisturbed pasture.
Created: 6/4/2025 10:55:39 AM
Lat:32.407704, Long:-103.362261

South-Southwest of tank battery facing southwest into undisturbed pasture.

Viewing Direction: South




Descriptive Photo - 16
Viewing Direction: South
Desc: South-Southwest of tank battery facing south into undisturbed pasture.
Created: 6/4/2025 10:55:45 AM
Lat:32.407704, Long:-103.362261

South-Southwest of tank battery facing south into undisturbed pasture.



Daily Site Visit Report

Viewing Direction: Southeast
 <p><small>Description: Photo - 57 Viewing Direction: Southeast Place: South-Southwest of tank battery, looking southwest into undisturbed pasture. Created: 04/2025 11:56:28 AM Lat: 32.907708, Long: -103.562129</small></p>
South-Southwest of tank battery facing southeast into undisturbed pasture.

Daily Site Visit Report



Daily Site Visit Signature

Inspector: Lakin Pullman

Signature:



Signature



Daily Site Visit Report

Client: K&M Resources LLC Incident ID #: _____
Site Location Name: Phillips State 002 API #: _____
Inspection Date: 8/11/2025 _____

Summary of Times

Arrived at Site 8/11/2025 7:45 AM
Departed Site 8/11/2025 3:30 PM

Daily Site Visit Report



Site Sketch

Site Sketch

Daily Site Visit Report



Field Notes

- 10:45** Arrived on site and completed safety paperwork, coordinated with site work crew site activities.
- 10:47** Performed a line sweep around area with magnetic locator with no identification of lines.
Calibrated field screening equipment and prepared for field screening sampling.
- 15:00** Excavation was concluded at 8x12 ft approximately 2 ft depth to the southeast of the tank battery. An approximately 3 to 6 inch scrape was conducted north of the tank batteries. The pile of material north of the pad entrance on the southeast was removed for disposal.
- 15:07** Berm was built back around tank batteries for end of day.

Next Steps & Recommendations

- 1 Continue to address pad state orders



Daily Site Visit Report

Site Photos

Viewing Direction: South



Descriptive Photo - 1
Viewing Direction: South
Desc: Site information placard
Created: 8/11/2025 3:25:26 PM
Lat: 32.40171, Long: -103.53188

Site information placard

Viewing Direction: Southwest



Descriptive Photo - 2
Viewing Direction: Southwest
Desc: Release contained within earthen berm to be excavated
Created: 8/11/2025 3:27:35 AM
Lat: 32.407849, Long: -103.53188

Release contained within earthen berm to be excavated

Viewing Direction: West



Descriptive Photo - 3
Viewing Direction: West
Desc: Performed a line sweep around area to be excavated
Created: 8/11/2025 3:34:35 AM
Lat: 32.407849, Long: -103.53188

Performed a line sweep around area to be excavated

Viewing Direction: Northwest




Descriptive Photo - 4
Viewing Direction: Northwest
Desc: Pile to southeast on pad to be scraped up and hauled to disposal
Created: 8/11/2025 12:08:51 PM
Lat: 32.406027, Long: -103.53188

Pile to southeast on pad to be scraped up and hauled to disposal



Daily Site Visit Report


Viewing Direction: Northwest



Descriptive Photo - 4
Viewing Direction: Northwest
Desc: Pile to southeast on pad scraped up and loaded in dump truck to be hauled to disposal
Created: 5/11/2025 2:49:12 PM
Lat: 32.407870, Long: -103.351141

Pile to southeast on pad scraped up and loaded in dump truck to be hauled to disposal

Viewing Direction: Southwest



Descriptive Photo - 5
Viewing Direction: Southwest
Desc: 2ft excavation SE of tank battery within bermed containment with caliche base of excavation
Created: 5/11/2025 2:49:59 PM
Lat: 32.407844, Long: -103.351141

2ft excavation SE of tank battery within bermed containment with caliche base of excavation

Viewing Direction: South



Descriptive Photo - 7
Viewing Direction: South
Desc: 6 inch scrape around outlets on tank batteries to north
Created: 5/11/2025 2:51:43 PM
Lat: 32.407862, Long: -103.351142

6 inch scrape around outlets on tank batteries to north

Viewing Direction: Southwest



Descriptive Photo - 8
Viewing Direction: Southwest
Desc: Berm replaced for end of day work within containment
Created: 5/11/2025 2:52:50 PM
Lat: 32.407866, Long: -103.351142

Berm replaced for end of day work within containment

Daily Site Visit Report



Daily Site Visit Signature

Inspector: Stephanie McCartyM

Signature:

A handwritten signature in black ink, appearing to read 'Steph M', written over a thin horizontal line. The word 'Signature' is printed in small text below the line.

Daily Site Visit Report



Site Sketch

Site Sketch

Daily Site Visit Report



Field Notes

- 15:43** Completed safety paperwork in site
- 15:44** On site to begin house keeping operations.
- 15:44** Sampled small excavation within battery around walls and base at 2' depth.
- 15:45** Tank solids still slightly leaking out of pinhole in tank
- 15:45** Surface scraped around old heater treater
- 15:45** Large surface scrape around wellhead.
- 15:46** Spot checked with surface samples in stained areas as seen by satellite imagery.

Next Steps & Recommendations

- 1** Continue spot check sampling



Daily Site Visit Report

Site Photos

Viewing Direction: North



Heater treater south side

Viewing Direction: East



Heater treater north side

Viewing Direction: East



Heater treater west side

Viewing Direction: South



Spot check 1



Daily Site Visit Report

Viewing Direction: South

Date & Time: Sun Aug 12 11:55:38 AM MST 2025
Position: -102.408015, -103.351824
Altitude: 1103m
Datum: WGS-84
Azimuth Bearing: 270, NSW, 4007615 ft
Image #:

Descriptive Photo - 2
Viewing Direction: South
Event: Spot check 2
Created: 8/12/2025 3:50:34 PM
Lat: -102.408015, Long: -103.351824

Spot check 2

Viewing Direction: Southwest

Date & Time: Sun Aug 12 11:55:38 AM MST 2025
Position: -102.408015, -103.351824
Altitude: 1103m
Datum: WGS-84
Azimuth Bearing: 270, NSW, 4007615 ft
Image #:

Descriptive Photo - 3
Viewing Direction: Southwest
Event: Spot check 3
Created: 8/12/2025 3:50:43 PM
Lat: -102.408015, Long: -103.351824

Spot check 3

Viewing Direction: Northwest

Date & Time: Sun Aug 12 11:55:38 AM MST 2025
Position: -102.408015, -103.351824
Altitude: 1103m
Datum: WGS-84
Azimuth Bearing: 270, NSW, 4007615 ft
Image #:

Descriptive Photo - 7
Viewing Direction: Northwest
Event: Spot check 4
Created: 8/12/2025 3:51:27 PM
Lat: -102.408008, Long: -103.351824

Spot check 4

Viewing Direction: West

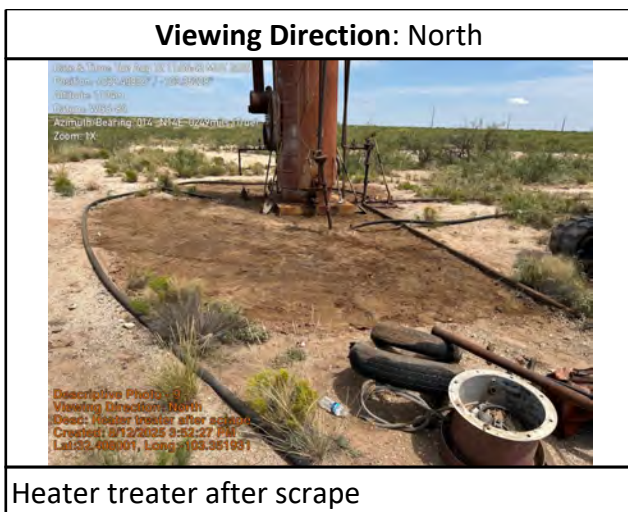
Date & Time: Sun Aug 12 11:55:38 AM MST 2025
Position: -102.408127, -103.351827
Altitude: 1103m
Datum: WGS-84
Azimuth Bearing: 270, NSW, 4007615 ft
Image #:

Descriptive Photo - 8
Viewing Direction: West
Event: Spot check 5
Created: 8/12/2025 3:51:50 PM
Lat: -102.408006, Long: -103.351827

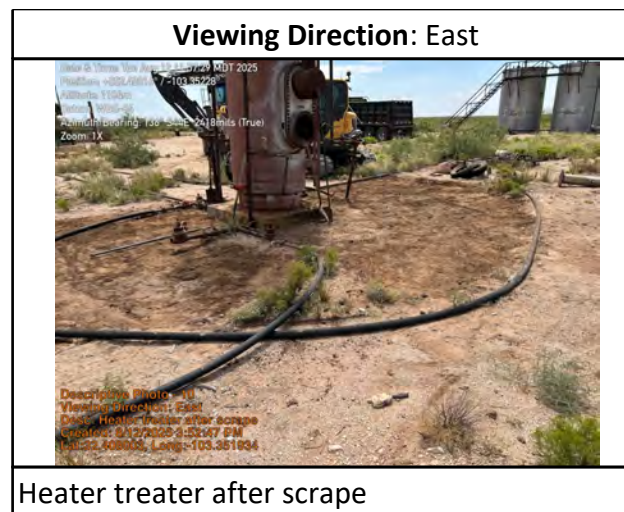
Spot check 5



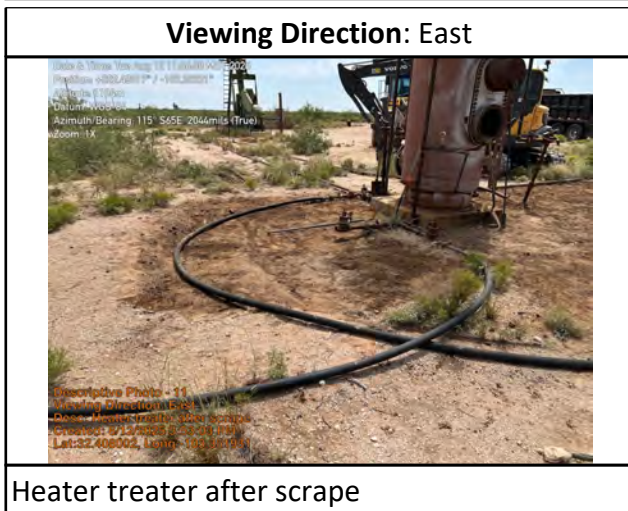
Daily Site Visit Report



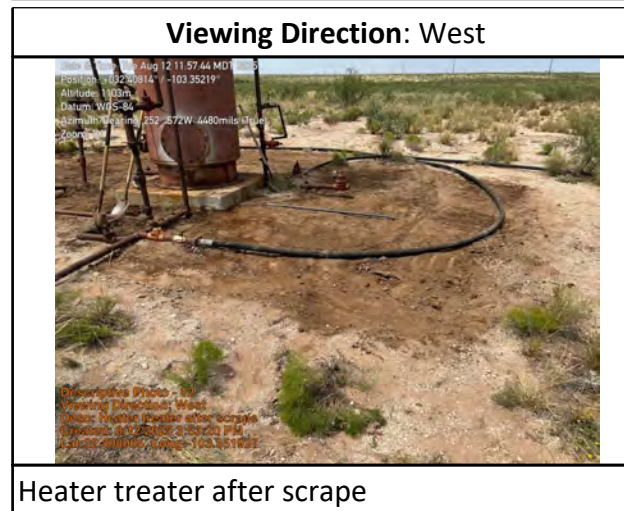
Heater treater after scrape



Heater treater after scrape



Heater treater after scrape



Heater treater after scrape



Daily Site Visit Report

Viewing Direction: North

EC results on spot checks and the composite base and wall samples from small exaction in containment

Viewing Direction: West

Excavation to date

Viewing Direction: West

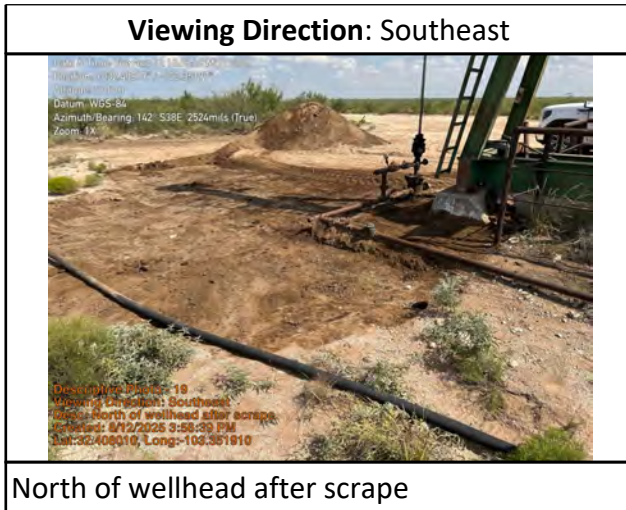
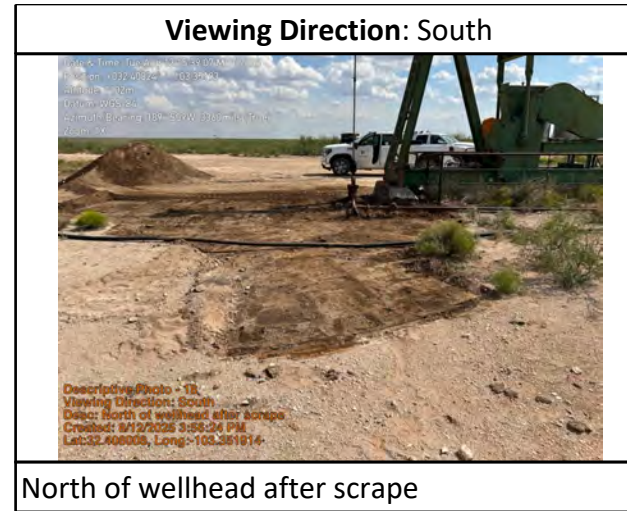
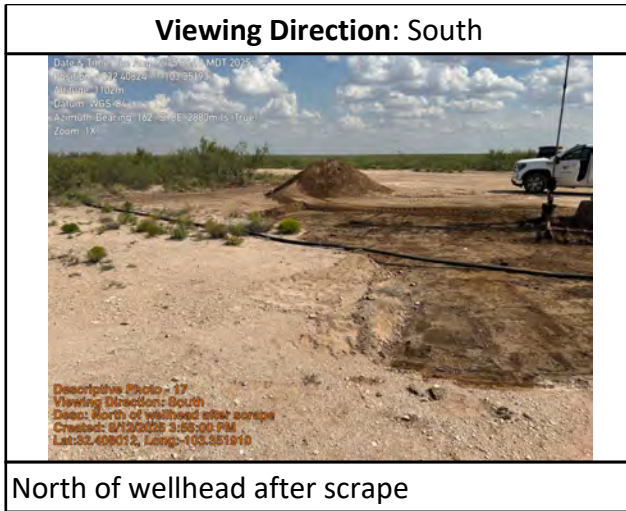
East of wellhead after scrape

Viewing Direction: Northwest

East of wellhead after scrape



Daily Site Visit Report



Daily Site Visit Report



Daily Site Visit Signature

Inspector: Austin Harris

Signature:

A handwritten signature in black ink, appearing to be 'AH', written over a horizontal line.

Signature

Daily Site Visit Report



Site Sketch

Site Sketch

Daily Site Visit Report



Field Notes

- 15:51** Completed safety paperwork on site
- 15:51** On site to confirmation sample in scrape areas and excavation
- 15:52** Rebuilt earth berm around tank battery
- 16:34** Assessed legacy pit north of site

Next Steps & Recommendations

- 1** Send samples to lab



Daily Site Visit Report

Site Photos

Viewing Direction: West



Descriptive Photo - 1
Viewing Direction: West
Desc: Excavation with WS25-01, 02, 03 & 04 as well as BS25-01
Created: 8/15/2025 3:53:01 PM
Lat: 32.408072, **Long:** -103.348098

Excavation with WS25-01, 02, 03 & 04 as well as BS25-01.
Excavation approximately 4 X 4 X 2' depth.

Viewing Direction: West



Descriptive Photo - 2
Viewing Direction: West
Desc: Front, north side of tank where asphaltic material has been removed
Created: 8/15/2025 3:53:01 PM
Lat: 32.408072, **Long:** -103.348098

Front, north side of tanks where asphaltic material removed.
BS25-02 in this area.

Viewing Direction: Northeast



Descriptive Photo - 3
Viewing Direction: Northeast
Desc: TPH scrape around wellhead. BS25-03 on south side
Created: 8/15/2025 3:55:32 PM
Lat: 32.408056, **Long:** -103.348079

TPH scrape around wellhead.
BS25-03 on south side.

Viewing Direction: South



Descriptive Photo - 4
Viewing Direction: South
Desc: TPH scrape around wellhead. BS25-04 on north side
Created: 8/15/2025 3:55:25 PM
Lat: 32.408052, **Long:** -103.348056

TPH scrape around wellhead.
BS25-04 on north side.



Daily Site Visit Report

Viewing Direction: South

Viewing Direction: South
 Date & Time: Fri Aug 15 14:05:17 MDT 2025
 Location: 40224816 / -103.35220
 Altitude: 103m
 Datum: WGS-84
 Azimuth Bearing: 343° N15W 4320mils True
 Zoom: 1X

Descriptive Photo - 5
 Viewing Direction: South
 Object: TPH scrape around Heater Treater.
 BS25-06 on north side.
 Coordinates: 40224816, -103.35220
 Lat: 40224816, Long: -103.35220

TPH scrape around Heater Treater.
BS25-06 on north side.

Viewing Direction: North

Viewing Direction: North
 Date & Time: Fri Aug 15 14:05:17 MDT 2025
 Location: 40224816 / -103.35220
 Altitude: 103m
 Datum: WGS-84
 Azimuth Bearing: 345° N15W 4133mils True
 Zoom: 1X

Descriptive Photo - 6
 Viewing Direction: North
 Object: TPH scrape around Heater Treater.
 BS25-06 on south side.
 Coordinates: 40224816, -103.35220
 Lat: 40224816, Long: -103.35220

TPH scrape around Heater Treater.
BS25-06 on south side.

Viewing Direction: West

Viewing Direction: West
 Date & Time: Fri Aug 15 14:06:14 MDT 2025
 Location: 40224810 / -103.35182
 Altitude: 102m
 Datum: WGS-84
 Azimuth Bearing: 325° N35W 3810mils True
 Zoom: 1X

Descriptive Photo - 7
 Viewing Direction: Northwest
 Object: Edge of pad and legacy pit on East looking northwest.
 Coordinates: 40224810, -103.35182
 Lat: 40224810, Long: -103.35182

Edge of pad and legacy pit on East looking northwest.

Viewing Direction: North

Viewing Direction: North
 Date & Time: Fri Aug 15 14:06:17 MDT 2025
 Location: 40224810 / -103.35182
 Altitude: 102m
 Datum: WGS-84
 Azimuth Bearing: 325° N35W 3770mils True
 Zoom: 1X

Descriptive Photo - 8
 Viewing Direction: North
 Object: Edge of pad and legacy pit on East looking north.
 Coordinates: 40224810, -103.35182
 Lat: 40224810, Long: -103.35182

Edge of pad and legacy pit on East looking north.



Daily Site Visit Report

Viewing Direction: North

Edge of pad and legacy pit on East looking north.

Viewing Direction: South

Middle of legacy pit looking south.

Viewing Direction: Southeast

Middle of legacy pit looking southeast

Viewing Direction: East

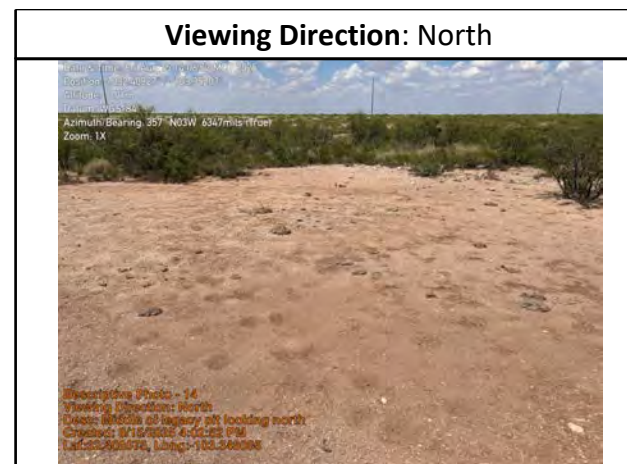
Middle of legacy pit looking east



Daily Site Visit Report



Middle of legacy pit looking northeast



Middle of legacy pit looking north



Middle of legacy pit looking northwest



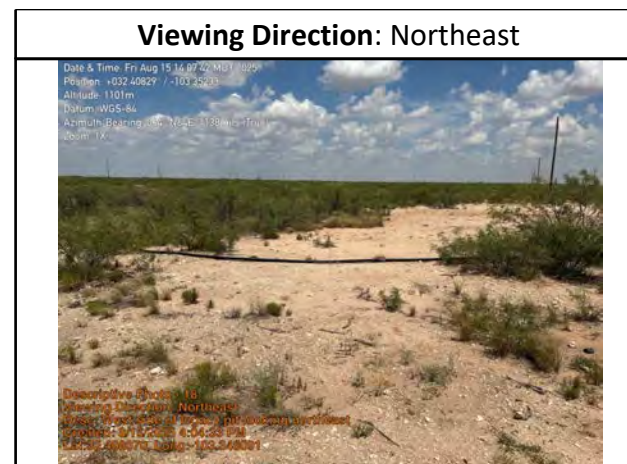
Middle of legacy pit looking west



Daily Site Visit Report



West side of legacy pit looking southeast



West side of legacy pit looking northeast



North side of legacy pit looking southeast



North side of legacy pit looking south



Daily Site Visit Report



North side of legacy pit looking southwest



Repaired south berm



Repaired east berm



Repaired west berm



Daily Site Visit Report



Daily Site Visit Report



Daily Site Visit Signature

Inspector: Austin Harris

Signature:

A handwritten signature in black ink, appearing to be 'AH' with a flourish.

Signature

Daily Site Visit Report



Site Sketch

Site Sketch



Daily Site Visit Report

Field Notes

- 17:39** Completed safety paperwork and held a brief with Louis from Earth Worx Environmental upon arrival to the site. On site to delineate the pad using a Geoprobe (direct push)
- 17:41** Collected samples:
 - BH26-01 at 0-24ft bgs
 - BH26-02 at 0-24 ft bgs
 - BH26-03 at 0-18 ft bgs
- 17:46** Samples were collected at 2-foot intervals and screened for chlorides using an EC meter. Due to hard subsurface conditions, the Macro-Core system could not advance and the auger attachment was primarily used. Cuttings were analyzed and interpreted into a lithologic borelog.
- 17:48** In total, 35 samples were collected and field screened. The samples were prepared to be sent to the laboratory for further analysis.
- 17:56** Each borehole was filled with bentonite and the berms to the containment were replaced with soil prior to departing the site.

Next Steps & Recommendations

1



Daily Site Visit Report

Site Photos

Viewing Direction: West



Descriptive Photo - 1
Viewing Direction: West
Desc: Overview of the sampling area.
Created: 2/13/2026 1:31:24 PM
Lat: 32.407801, Long: -103.341890

Overview of the sampling area.

Viewing Direction: South



Date & Time: Wed Feb 11 12:49:07 MST 2026
Position: 1032.40822, -103.35190
Altitude: 1100m
Datum: WGS 84
Azimuth Bearing: 195.515W, 3487m, True
Zoom: 93

Descriptive Photo - 2
Viewing Direction: South
Desc: Geoprobe using the auger attachment at BH26-01.
Created: 2/11/2026 1:17:54 PM
Lat: 32.407801, Long: -103.35190

Geoprobe using the auger attachment at BH26-01.

Viewing Direction: West



Descriptive Photo - 3
Viewing Direction: West
Desc: BH26-02 located on the west side of the heater treater.
Created: 2/13/2026 1:05:24 PM
Lat: 32.407801, Long: -103.341890

BH26-02 located on the west side of the heater treater.

Viewing Direction: South

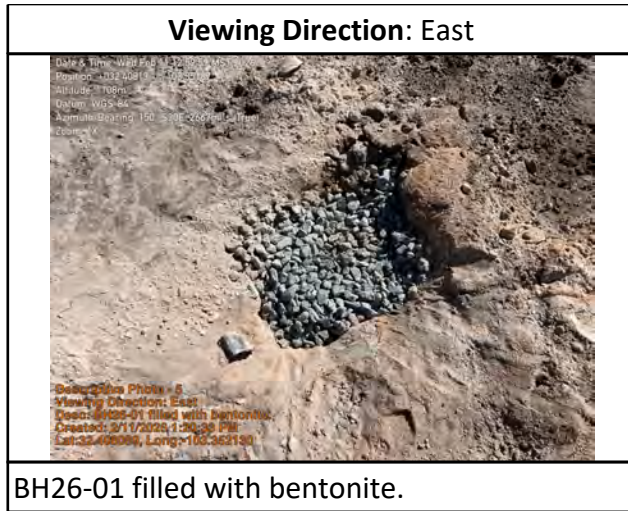


Descriptive Photo - 4
Viewing Direction: South
Desc: Geoprobe using the auger attachment at BH25-03.
Created: 2/13/2026 1:05:24 PM
Lat: 32.407801, Long: -103.341890

Geoprobe using the auger attachment at BH25-03.



Daily Site Visit Report



Daily Site Visit Report



Daily Site Visit Signature

Inspector: John Rewis

Signature:

Appendix G

SLO-ECO Communications



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

From: travis.herron@mail.com
To: [Andrew Parker](#)
Subject: Fwd: Complaint Regarding Spills at Phillips State #002
Date: Friday, May 2, 2025 2:48:18 PM

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Sent using the mail.com mail app

On 5/1/25 at 3:52 PM, Bisbey-Kuehn, Elizabeth A. wrote:

From: "Bisbey-Kuehn, Elizabeth A." <ebisbeykuehn@nmslo.gov>

Date: May 1, 2025

To: "travis.herron@mail.com" <travis.herron@mail.com>

Cc: "Biernoff, Ari" <abiernoff@nmslo.gov> ,

"Griffin, Becky R." <bgriffin@nmslo.gov> ,

"Heltman, Elaine G." <eheltman@nmslo.gov>

Subject: Complaint Regarding Spills at Phillips State #002

Travis, we received a complaint of an active spill at Phillips State #002 today. Below are pictures of the spill and location information. We need someone to immediately cease the active spill, contain the release, and submit a spill notification to the State Land Office (and OCD if not reported to date).

Please confirm receipt of this email, and let me know the timing of getting onsite and getting the spill contained. Once contained, you'll need to follow ECO's standard process for remediating the spill.

Let me know if you have any questions.

Liz







Sent from my iPhone

From: [Andrew Parker](#)
To: [Enviro. OCD, EMNRD](#)
Cc: travis.herron@mail.com
Subject: C-141C Status Request for NAPP2512247791
Date: Tuesday, June 17, 2025 3:52:00 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

NMOCD,

On the behalf of K&M Resources LLC, Vertex Resource Services asks for an updated status of the cancelation notice (C-141C) for Incident NAPP2512247791. According to NMOCD's records, the request is pending NMOCD review. A similar request for Incident NAPP2512246943 was also submitted to NMOCD on May 12th and the cancelation request was approved on May 13th

Below is additional information to assist with NMOCD's review.

NAPP2512247791 PHILLIPS STATE #002 @ 30-025-28670

General Incident Information

Site Name: PHILLIPS STATE #002
Well: [\[30-025-28670\]](#) PHILLIPS STATE #002
Facility:
Operator: [\[330662\]](#) K&M RESOURCES LLC
Status: Cancellation Request Received, Pending OCD Review
Type: Oil Release

Incident Events

Date	Detail
05/13/2025	An application [461558] was submitted to OCD for review. It was submitted, indicating that it was an: [C-141C] Request to Cancel the Notification of a Release The operator was emailed confirmation of this event.
05/13/2025	The (05/13/2025, C-141C) application [461558] was assigned to this incident.
05/02/2025	The (05/02/2025, NOR) application [458023] was assigned to this incident.
05/02/2025	New incident created by the operator, upon the submission of notification of release.

05/01/2025	Release discovered by the operator.
------------	-------------------------------------

Supporting information:

K&M Resources LLC respectfully asks NMOCD to retract the Notice of Release for Incident ID nAPP2512247791 (PHILLIPS STATE #002 @ 30-025-28670). Upon further assessment the release volume was determined to be less than 5 bbls. Per 19.15.29 NMAC, release volumes less than 5 bbls are not reportable. Regardless of the volume, K&M Resources will remediate the release per 19.15.29.8 NMAC and restore the surface to an active tank battery for active oil and gas operations.

In addition, K&M will remediate the spill according to New Mexico State Land Office – Environmental Compliance Office (SLO-ECO) Spill and Reporting Guidelines and State Trust Lands 19.2.100.66.B. (4) NMAC,

- (a) All new spills shall be treated and cleaned up immediately. All surface affected by such spills and leaks shall be reclaimed. Reclamation of the area involved shall be implemented in consultation with the state land office.
- (b) All spills shall be reported in accordance with the regulations of the oil conservation division.

Volume calculations, presented below, show that the release is 0.4 bbls. The volume calculation, site map, and photo of the release is presented below. If remedial activities indicate the release is greater than 5 bbls or if unknown volume is determined, a new Notice of Release will be submitted to NMOCD and SLO-ECO.





Spill Dimensions to Volume of Release within Containment				Area	
Input	volume of affected soil	[feet ³]	14.00	Sq. Ft	20
Input	Porosity: typically is .35 to .40 for most soils	[-]	0.40	Depth (ft)	0.7
Input	Proportion of porosity filled with release fluid [0,1]	[-]	0.40	Cu. Ft	14
Output	volume of fluid	[feet ³]	2.2		
		[gal]	16.8		
		Barrels	0.4		

Thank you for your consideration.

Andrew Parker
 Senior Project Manager
 Vertex Resource Services Inc.
 3101 Boyd Drive,
 Carlsbad, NM 88220

P 575.689.7007

www.vertex.ca

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NAPP2512247791 PHILLIPS STATE #002 @ 30-025-28670

General Incident Information

Site Name: PHILLIPS STATE #002
Well: [30-025-28670] PHILLIPS STATE #002
Facility:
Operator: [330662] K&M RESOURCES LLC
Status: Cancellation Request Approved, Cancelled
Type: Oil Release **Severity:**
District: Hobbs **Surface Owner:** State
County: Lea (25)
Incident Location: G-10-22S-35E 1980 FNL 1650 FEL
Lat/Long: 32.4078439,-103.3521488 NAD83
Directions:

Notes

Source of Referral: Industry Rep **Action / Escalation:**
Resulted In Fire: **Resulted In Injury:**
Endangered Public Health: **Will or Has Reached Watercourse:**
Fresh Water Contamination: **Property Or Environmental Damage:**

Contact Details

Contact Name: **Contact Title:**

Event Dates

Date of Discovery: 05/01/2025 **Initial C-141 Report Due:** 5/16/2025
Remediation Closure Report Due: 07/30/2025

Incident Dates

Type	Action	Received	Denied	Approved
Cancellation Request	[461558]	05/13/2025		06/18/2025
Notification	[458023]	05/02/2025		05/02/2025

Compositional Analysis of Vented and/or Flared Natural Gas

No Compositional Analysis Found

Incident Materials

Cause	Source	Material	Volume				Units
			Unk.	Released	Recovered	Lost	
Corrosion	Production Tank	Crude Oil	<input type="checkbox"/>	1	0	1	BBL

Cause	Source	Material	Volume				Units
			Unk.	Released	Recovered	Lost	
The concentration of dissolved chloride in the produced water >10,000 mg/l:			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

Incident Events

Date	Detail
06/18/2025	The (06/18/2025, C-141C) application [461558] was accepted by OCD. The operator was emailed with details of this event.
06/18/2025	An application [461558] was submitted to OCD for review. It was submitted, indicating that it was an: [C-141C] Request to Cancel the Notification of a Release The operator was emailed confirmation of this event.
05/13/2025	The (06/18/2025, C-141C) application [461558] was assigned to this incident.
05/02/2025	The (05/02/2025, NOR) application [458023] was assigned to this incident.
05/02/2025	New incident created by the operator, upon the submission of notification of release.
05/01/2025	Release discovered by the operator.

From: [Andrew Parker](#)
To: eco@nmslo.gov
Cc: "travis.herron@mail.com"
Subject: (Sampling Notice) K&M Resources Phillips State #2 (30-026-28670/nAPP2533039712)-02-03-2026
Date: Tuesday, February 3, 2026 3:17:00 PM

SLO-ECO:

Please consider this email as the 3-day notice to commence borehole advancement and soil sampling at the above referenced location per the approved workplan. Activities will be occurring on February 10 through February 11th, 2026.

Thank you,

Andrew Parker
Senior Project Manager
Cell: 575.689.7007

Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220
Office: 575.725.5001

www.vertexresource.com

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From: travis.herron@mail.com <travis.herron@mail.com>
Sent: Tuesday, November 18, 2025 10:21 AM
To: Knight, Tami C. <tknight@nmslo.gov>
Cc: Heltman, Elaine G. <eheltman@nmslo.gov>; Biernoff, Ari <abiernoff@nmslo.gov>; David, Deon W. <ddavid@nmslo.gov>; Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>; Andrew Parker <aparker@vertexresource.com>
Subject: Re: RE: (Revised Remediation Plan) K&M Resources Phillips State #2 - 10-31-2025 - Approved with Conditions

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Good morning Tami,

We do understand and agree to these conditions of approval. We will submit spill report to NMOCD asap. Thanks

On 11/12/25 at 10:52 AM, Knight, Tami C. wrote:

From: "Knight, Tami C." <tknight@nmslo.gov>
 Date: November 12, 2025
 To: "Andrew Parker" <aparker@vertexresource.com>
 Cc: "travis.herron@mail.com" <travis.herron@mail.com> ,
 "David, Deon W." <ddavid@nmslo.gov> ,
 "Heltman, Elaine G." <eheltman@nmslo.gov> ,
 "Biernoff, Ari" <abiernoff@nmslo.gov> ,
 "Bisbey-Kuehn, Elizabeth A." <ebisbeykuehn@nmslo.gov>
 Subject: RE: (Revised Remediation Plan) K&M Resources Phillips State #2 - 10-31-2025 - Approved with Conditions
RE: 30-25-28670 (Active)/K&M Resources; Phillips State #2; E019320001/ CONOCOPHILLIPS COMPANY
 Part of Conoco-Taprock Lease Assignment.
Incident #: Pending
ROE #: Not applicable
Remediation Workplan Received: October 31, 2025
Workplan Status: **Approved with Conditions**

Details regarding the workplan review are provided in the table below. The lessee and/or their contractor are responsible for ensuring that the project manager and field personnel performing the work follow the approved work plan. Please respond to this email by November 18, 2025, that you understand and agree to the conditions of approval.

General Scope of Work Topics Addressed in Remediation Workplan In Detail	Included/Approved	Not Included/Not Approved	Not Required
NMOCD Record Review	Included	Original incident NAPP2512247791 was cancelled with OCD because release was less than 5 bbls; however, impacts discovered are a reportable volume to NMOCD (>10-12 cy). This must be reported to NMOCD	
Historical Aerial Review with Areas of Concern Identified	Included		
CPP/Bio Statements	Included		
	Included; Part of Conoco-Taprock Lease Assignment.		

<p>Site Characterization/Closure Criteria</p>	<p>Leases must be in good standing; therefore, top 4 ft must meet most stringent remediation criteria.</p>		
<p>Site assessment/delineation plans or results</p>	<p>ECO agrees with vertical delineation of areas of concern, NMOCD does not need to approve the continued site delineation activities</p>		
<p>Remediation Method Detailed</p>	<p>ECO is open to in-situ remediation once we receive all the necessary data and treatment specifications. Note, NMOCD will need to approve this approach also.</p>		
<p>Sampling Protocol</p>	<p>Included</p>		
<p>Reclamation Workplan/Discussion</p>			<p>Active site not required at this time; will be required for any remediation excavation</p>
<p>Schedule of Implementation</p>	<p>Included; ECO anticipates receiving the complete remediation workplan no later than March 13, 2026</p>		

**The conclusions of this workplan review are based on the documentation provided by the submitter. ECO may conduct a field verification of the information provided, though it is not obligated to do so. In the event that field conditions or subsequent information reveal discrepancies, ECO may require additional corrective work.*

We appreciate the efforts being taken to remediate and reclaim State Trust Land.



Environmental Compliance Office

New Mexico State Land Office



eco@nmslo.gov

nmstatelands.org

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From: Andrew Parker <aparker@vertexresource.com>

Sent: Friday, October 31, 2025 2:28 PM

To: SLO Spills <spills@nmslo.gov>

Cc: travis.herron@mail.com

Subject: [EXTERNAL] (Revised Remediation Plan) K&M Resources Phillips State #2 - 10-31-2025

SLO-ECO:

The attached revised remediation plan for the Phillips State #2 asks for approval of the proposed boring/sampling plan for the evaluation of suspect impacted soils caused by oil and gas operations.

After evaluation of data collected during the boring/sampling program, we will consult with SLO-ECO during the selection process for remedial actions.

If SLO-ECO has any concerns with the proposed schedule, we respectfully ask SLO-ECO to contact us so we can work out a schedule that satisfies all interested stakeholders.

Thank you,

Andrew Parker

Senior Project Manager

Cell: 575.689.7007

Vertex Resource Services Inc.

3101 Boyd Drive,

Carlsbad, NM 88220

Office: 575.725.5001

www.vertexresource.com

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From: Andrew Parker

Sent: Thursday, September 4, 2025 10:24 AM

To: eco@nmslo.gov

Cc: travis.herron@mail.com; Steph McCarty ; Michael Moffitt

Subject: RE: (Sampling Notice) K&M Resources Phillips State #2 - 07-14-2025 - Approved with Conditions

SLO-ECO:

Attached is a summary update of the work completed to date at the location referenced in the subject line. Please note that the attached includes both the Phillips State #1 and #2. A separate summary update email will be submitted for the Phillips State #1.

The purpose of the summary update is to notify SLO-ECO that remediation has begun and that additional remediation is necessary and that a revised remediation plan is forthcoming.

Regards,

I will be out of the office from September 5th through September 15th. Please contact Michal Moffitt (575-988-2681) or Stephanie McCarty (575-361-9639) if you need immediate assistance.

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

Cell: 575.689.7007

Office: 575.725.5001

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From: SLO Spills <spills@nmslo.gov>

Sent: Thursday, August 14, 2025 10:39 AM

To: Andrew Parker <aparker@vertexresource.com>

Cc: travis.herron@mail.com; Austin Harris <aharris@vertexresource.com>



Subject: RE: (Sampling Notice) K&M Resources Phillips State #2 - 07-14-2025 - Approved with Conditions

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Approved



Tami C. Knight, CHMM
Senior Environmental Scientist
Environmental Compliance Office
Mobile: 505.670.1638

  tknight@nmslo.gov
nmstatelands.org

In field: August 14
OOO: August 15

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From: Andrew Parker <aparker@vertexresource.com>
Sent: Thursday, August 14, 2025 9:42 AM
To: SLO Spills <spills@nmslo.gov>
Cc: Knight, Tami C. <tknight@nmslo.gov>; travis.herron@mail.com; Austin Harris <aharris@vertexresource.com>
Subject: [EXTERNAL] (Sampling Notice) K&M Resources Phillips State #2 - 07-14-2025 - Approved with Conditions

SLO-ECO:

Excavation of impacted soils and removal of abandoned equipment is proceeding faster than anticipated. Therefore, on the behalf of K&M Resources, Vertex respectfully asks for the approval to proceed with soil sampling for characterization and confirmation. We propose a sampling date for Friday August 15th at 8am. We anticipate that select soil samples will exceed TPH concentrations for on-site closure criteria. The laboratory soil sample results will help direct a revised remediation plan.

We look forward to SLO-ECO's approval of the sampling notice.

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

Cell: 575.689.7007

Office: 575.725.5001

www.vertexresource.com

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From: travis.herron@mail.com <travis.herron@mail.com>

Sent: Monday, August 4, 2025 10:44 AM

To: Knight, Tami C. <tknight@nmslo.gov>

Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>; Griffin, Becky R. <bgriffin@nmslo.gov>; David, Deon W. <ddavid@nmslo.gov>; Andrew Parker <aparker@vertexresource.com>

Subject: Re: RE: (Revised Remediation Plan) K&M Resources Phillips State #2 - 07-14-2025 - Approved with Conditions

Caution: This email is from an external sender. Please take care when clicking links or opening attachments. When in doubt, contact your IT Department

Good morning Tami,

I apologize I responded to the Phillips #1 work plan and never Responded on this Phillips #2.

We do understand and accept the terms & conditions on this work plan as well.

Thanks, Travis Herron

On 7/16/25 at 9:43 AM, Knight, Tami C. wrote:

From: "Knight, Tami C." <tknight@nmslo.gov>

Date: July 16, 2025

To: "Andrew Parker" <aparker@vertexresource.com>
Cc: "Bisbey-Kuehn, Elizabeth A." <ebisbeykuehn@nmslo.gov>,
"Griffin, Becky R." <bgriffin@nmslo.gov>,
"David, Deon W." <ddavid@nmslo.gov>,
"Travis Herron" <travis.herron@mail.com>
Subject: RE: (Revised Remediation Plan) K&M Resources Phillips State #2 - 07-14-2025 - Approved with Conditions
Andrew and Travis

Documentation of proposed remediation actions for the subject well site and tank battery was received from your office on July 14, 2025. The NMSLO Environmental Compliance Office (ECO) has reviewed the plan, and based on the information provided in the document received from your office, ECO has approved the remediation plan with the following conditions:

1. The proposed remediation is for an active well site and remediation closure criteria is based on Table 1 of 19.15.29 NMAC. Note, remediation in the upper 4 ft must meet reclamation closure criteria prior to reclamation. This must occur, at least, when the tanks are decommissioned and/or the well site is plugged or the well or lease is transferred to another operator.
2. If a deferral is going to be requested around active equipment, the soil impact must be horizontally and vertically delineated. The deferral will only be considered once the remediation closure report is received, which should include the deferral data and request.
3. Removal of impacted soil around operation equipment is not considered "general housekeeping." This is a requirement per NMOCD and NMSLO rules. Regardless of the volume of the spill, all spills must be remediated in accordance with applicable rules.
4. The legacy reserve pit does show evidence of surface impact. This area is no longer needed for operation and production. This area must be assessed, remediated if needed, and reclaimed. Please submit a workplan to ECO to address this area of concern by December 31, 2025.

Please submit the remediation closure report to eco@nmslo.gov by October 30, 2025. Also, please follow ECO's submit line format when submitting documents to ECO. At a minimum the subject line must include the NMOCD incident # (if applicable) and the API #. We have many wells with the same names and the API helps us track these submittals more efficiently.

Respond to this email that you understand and agree to the conditions of approval.

Lessee and/or their contractor are responsible for ensuring the project manager and field personnel performing the work follow the approved work plan.



Environmental Compliance Office

New Mexico State Land Office



eco@nmslo.gov
nmstatelands.org

.....
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From: Andrew Parker <aparker@vertexresource.com>
Sent: Monday, July 14, 2025 2:32 PM
To: SLO Spills <spills@nmslo.gov>
Cc: Travis Herron <travis.herron@mail.com>
Subject: [EXTERNAL] (Revised Remediation Plan) K&M Resources Phillips State #2 - 07-14-2025

SLO-ECO:

Attached is the revised remediation plan for the K&M Resources' Phillips State #2. The below text was edited to clarify that remediation of impacted soils on the active production site, as originally presented in Figure 2, will be remediated as necessary to meet on-site closure criteria. Please the below email plan for reason of the edits.

Edited sections are highlighted below for reference.

General housekeeping will occur on the active production site. The extent of the active production site is represented in Figure 2. General housekeeping includes, but not limited to:

- *Removal of any abandoned production equipment and transport off-site for proper disposal.*
- *Removal of saline and hydrocarbon impacted surface soils and remediate as necessary to meet Closure Criteria for production sites in-use for active oil and gas operations per Table 1, above. Soil samples will be collected and evaluated against concentration limits presented in Table 1 to confirm remediation is complete.*
- *Pressure wash the exterior of production equipment and associated valves that visually appear*

to have hydrocarbon staining. Wastewater will be recovered and transported offsite for proper disposal.

Regards,

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

www.vertexresource.com

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From: Andrew Parker

Sent: Wednesday, July 9, 2025 12:39 PM

To: Travis Herron <travis.herron@mail.com>

Subject: FW: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

I will revise the workplan to include a site map outlining the active production pad where we are going to limit remedial efforts for clarification.

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

www.vertexresource.com

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From: Knight, Tami C. <tknight@nmslo.gov>
Sent: Wednesday, July 9, 2025 12:03 PM
To: Andrew Parker <aparker@vertexresource.com>
Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>; Travis Herron <travis.herron@mail.com>; Biernoff, Ari <abiernoff@nmslo.gov>; Heltman, Elaine G. <eheltman@nmslo.gov>
Subject: RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions


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Andrew,

Because this project is under legal purview, it is requested that a revised workplan be submitted that includes the prescriptive language and illustrations so there is no assumptions being made by any of the parties involved.

Thank you



Tami Knight, CHMM
Environmental Specialist
Environmental Compliance Office
505.670 1638
New Mexico State Land Office
 tknight@nmslo.gov
nmstatelands.org

I will be out of the office July 18.

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From: Andrew Parker <aparker@vertexresource.com>
Sent: Wednesday, July 9, 2025 11:03 AM
To: Knight, Tami C. <tknight@nmslo.gov>
Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>; Travis Herron <travis.herron@mail.com>
Subject: [EXTERNAL] RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

Tami,

Checking on the review of the remediation plan. As transmitted in the June 24th emails and included in the text of the report:

- The release at the tank battery will be remediated to on-site closure criteria per Table 1 of 19.15.29 NMAC.
- Visually saline and hydrocarbon impacted surface soils located on the active production pad will be remediated to on-site closure criteria per Table 1 of 19.15.29 NMAC.

And as further discussed in the June 24th emails, any off-site concerns and the reclamation of the legacy reserve pit will be evaluated after the on-site issues are resolved.

Regards,

Andrew Parker
Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

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From: Knight, Tami C. <tknight@nmslo.gov>
Sent: Tuesday, June 24, 2025 3:11 PM
To: Andrew Parker <aparker@vertexresource.com>
Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>
Subject: RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

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Yeah it was the site map throwing me off. The workplan site map only illustrates the release at the AST. So it looks like you are only going to remediate at this location.

Tami

From: Andrew Parker <aparker@vertexresource.com>
Sent: Tuesday, June 24, 2025 2:36 PM
To: Knight, Tami C. <tknight@nmslo.gov>
Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>
Subject: [EXTERNAL] RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

Tami,

All on-site concerns will be addressed. I left the language in the report generic but perhaps too generic. All areas on-site that show visual surface impairment will be evaluated and removed as necessary to on-site closure criteria.

Hope this clarifies.

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

www.vertex.ca

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From: Knight, Tami C. <tknight@nmslo.gov>

Sent: Tuesday, June 24, 2025 2:20 PM

To: Andrew Parker <aparker@vertexresource.com>

Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>

Subject: RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

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Thank you for the information. What about issues around the treater and wellhead?

Tami

From: Andrew Parker <aparker@vertexresource.com>

Sent: Tuesday, June 24, 2025 2:19 PM

To: Knight, Tami C. <tknight@nmslo.gov>

Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>

Subject: [EXTERNAL] RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions

Tami,

The first order of operation is to address on-site concerns. I have approached K&M Resources on addressing off-site concerns and legacy pit reclamation and further discussions will commence after the on-site issues are resolved.

Regards,

Andrew Parker

Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

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From: Knight, Tami C. <tknight@nmslo.gov>

Sent: Tuesday, June 24, 2025 2:12 PM

To: Andrew Parker <aparker@vertexresource.com>

Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>

Subject: RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025 - Questions



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Andrew

I should have asked these same questions about Phillips State #001 instead of making them conditions of approval. I understand the #002 workplan was specific to the releases identified at the tank but there are other historical issues at this well site around the treater and wellhead and then the lovely pit scar. Most current aerial image documents concerns around the production equipment and pit scar in present day. There is also an area of concern (barren spot over time) off the southwest corner of the tank battery.

Are there plans to assess and address all of these issues? They are going have to be addressed at some point. Probably better to do them now then get a letter from Office of General Counsel.



Tami Knight, CHMM
Environmental Specialist
Environmental Compliance Office
505.670 1638
New Mexico State Land Office
 tknight@nmslo.gov
 nmstatelands.org

**NMSLO is closed at Noon July 3 through July 4
I will be out of the office July 3-4.**

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From: Andrew Parker <aparker@vertexresource.com>
Sent: Wednesday, June 18, 2025 3:57 PM
To: Knight, Tami C. <tknight@nmslo.gov>
Subject: [EXTERNAL] RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025

Tami,

No problem for a Monday/Tuesday response. Essentially it is a duplicate of the Phillips State #1. Take tomorrow off for yourself (read: I better not see any emails from you!).

Regards,

Andrew Parker
Senior Project Manager

Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

www.vertex.ca

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From: Knight, Tami C. <tknight@nmslo.gov>
Sent: Wednesday, June 18, 2025 3:53 PM
To: Andrew Parker <aparker@vertexresource.com>
Subject: RE: (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025

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Thanks Andrew. We are closed tomorrow and I have an massive internal project to work on Friday. I likely won't get to this one until Monday or Tuesday. Let me know if you need it sooner.



Tami Knight, CHMM
Environmental Specialist
Environmental Compliance Office
505.670 1638
New Mexico State Land Office
 tknight@nmslo.gov
nmstatelands.org

NMSLO is closed June 19.

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transmission and its attachments without reading or saving in any manner. Thank you.

From: Andrew Parker <aparker@vertexresource.com>
Sent: Wednesday, June 18, 2025 1:53 PM
To: SLO Spills <spills@nmslo.gov>
Cc: Bisbey-Kuehn, Elizabeth A. <ebisbeykuehn@nmslo.gov>; travis.herron@mail.com
Subject: [EXTERNAL] (Remediation Plan) K&M Resources Phillips State #2 - 06-18-2025

SLO-ECO,

On the behalf of K&M Resources, Vertex Resource submits the attached remediation plan for the Phillips State #2 release as referenced in the below email. Upon SLO-ECO approval, we will commence remediation and general housekeeping activities as outlined in the proposed plan.

Please contact me with any questions.

Regards,

Andrew Parker
Senior Project Manager
Vertex Resource Services Inc.
3101 Boyd Drive,
Carlsbad, NM 88220

P 575.689.7007

www.vertex.ca

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From: travis.herron@mail.com <travis.herron@mail.com>

Sent: Friday, May 2, 2025 2:48 PM
Subject: Fwd: Complaint Regarding Spills at Phillips State #002

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Sent using the [mail.com](mailto:) mail app

On 5/1/25 at 3:52 PM, Bisbey-Kuehn, Elizabeth A. wrote:

From: "Bisbey-Kuehn, Elizabeth A." <ebisbeykuehn@nmslo.gov>
Date: May 1, 2025
To: "travis.herron@mail.com" <travis.herron@mail.com>
Cc: "Biernoff, Ari" <abiernoff@nmslo.gov>,
"Griffin, Becky R." <bgriffin@nmslo.gov>,
"Heltman, Elaine G." <eheltman@nmslo.gov>
Subject: Complaint Regarding Spills at Phillips State #002

Travis, we received a complaint of an active spill at Phillips State #002 today. Below are pictures of the spill and location information. We need someone to immediately cease the active spill, contain the release, and submit a spill notification to the State Land Office (and OCD if not reported to date).

Please confirm receipt of this email, and let me know the timing of getting onsite and getting the spill contained. Once contained, you'll need to follow ECO's standard process for remediating the spill.

Let me know if you have any questions.

Liz

Image removed by sender. Image removed by sender.



Image removed by sender. Image removed by sender.

Image removed by sender. Image removed by sender.

Sent from my iPhone

Andrew Parker

Senior Project Manager

Vertex Resource Services Inc.

Carlsbad, NM 88220

P 575.689.7007

C 575.689.7007

F

www.vertex.ca

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Andrew Parker

Senior Project Manager

Vertex Resource Services Inc.

Carlsbad, New Mexico 88220

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Appendix H

NMOCD Communications



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas

From: OCDOnline@state.nm.us
To: [Andrew Parker](#)
Subject: The Oil Conservation Division (OCD) has accepted the application, Application ID: 530263
Date: Wednesday, November 26, 2025 11:02:29 AM

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To whom it may concern (c/o Andrew Parker for K&M RESOURCES LLC),

The OCD has accepted the submitted *Notification of a legacy release* (NOR-LR), for incident ID (n#) nAPP2533039712, with the following conditions:

- **When submitting future reports regarding this legacy release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.**

This notification was recognized as a legacy release because the Discovery Date (06/10/1986) was submitted with a date prior to the 08/15/2018 rule change. If this was not your intent and you have submitted a notification with an incorrect Discovery Date (06/10/1986), please contact us using the email below.

Please reference nAPP2533039712, on all subsequent C-141 submissions and communications regarding the remediation of this release.

NOTE: As of December 2019, NMOCD has discontinued the use of the “RP” number. If you have any questions regarding this application, or don't know why you have received this email, please contact us.

ocd.enviro@state.nm.us

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

From: OCDOnline@emnrd.nm.gov
To: [Andrew Parker](#)
Subject: The Oil Conservation Division (OCD) has approved the application, Application ID: 530326
Date: Friday, January 30, 2026 8:16:34 AM

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To whom it may concern (c/o Andrew Parker for K&M RESOURCES LLC),

The OCD has approved the submitted *Application for administrative approval of a release notification and corrective action* (C-141), for incident ID (n#) nAPP2533039712, with the following conditions:

- **Initial C141 is approved. A remediation work plan, site characterization plan or remediation closure is due to the OCD no later than 90-days after the date of discovery, not to exceed 04/27/2026.**

The signed C-141 can be found in the OCD Online: Imaging under the incident ID (n#).

If you have any questions regarding this application, please contact me.

Thank you,
Michael Buchanan
Environmental Specialist
505-490-0798
Michael.Buchanan@emnrd.nm.gov

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505




Date: November 26, 2025

Location: Phillips State #02
Incident #: nAPP2533039712

RE: Estimated Volume Calculation

The attached map shows three Areas of Interest (AOI). Preliminary characterization sampling of suspect historical releases indicate that a minimum of 115 cubic yards of subsurface material may have been impacted – yielding an estimated release volume of 116 barrels. The AOIs are pending further delineation; therefore, release volumes are only an estimate. Below is the estimated volume calculation.

Spill Dimensions to Volume of Release outside of Containment (not recovered)			
Input	volume of affected soil	[feet^3]	3110.00
Input	Porosity: typically is .35 to .40 for most soils	[-]	0.35
Input	Proportion of porosity filled with release fluid [0,1]	[-]	0.60
Output	volume of fluid	[feet^3]	653.1
		[gal]	4885.5
		Barrels	116.3


Andrew Parker
Senior Project Manager
Vertex Resource Services Inc
c: (575) 689-7007

From: OCDOnline@emnrd.nm.gov
To: [Andrew Parker](#)
Subject: The Oil Conservation Division (OCD) has accepted the application, Application ID: 549963
Date: Tuesday, February 3, 2026 3:28:43 PM

Caution: This email is from an external sender. Please take care when clicking links or opening attachments. When in doubt, contact your IT Department

To whom it may concern (c/o Andrew Parker for K&M RESOURCES LLC),

The OCD has received the submitted *Notification for (Final) Sampling of a Release* (C-141N), for incident ID (n#) nAPP2533039712.

The sampling event is expected to take place:

When: 02/11/2026 @ 08:30

Where: G-10-22S-35E 1980 FNL 1650 FEL (32.4080658,-103.3521194)

Additional Information: John Rewis. Cell: 505-860-3733

Additional Instructions: Coordinates:
32.408010, -103.352056

An OCD representative may be available onsite at the date and time reported. In the absence or presence of an OCD representative, sampling pursuant to 19.15.29.12.D NMAC is required. Sampling must be performed following an approved sampling plan or pursuant to 19.15.29.12.D.(1).(c) NMAC. Should there be a change in the scheduled date and time of the sampling event, then another notification should be resubmitted through OCD permitting as soon as possible.

- **Failure to notify the OCD of sampling events including any changes in date/time per the requirements of 19.15.29.12.D.(1).(a) NMAC, may result in the remediation closure samples not being accepted.**
- **If confirmation sampling is going to take place over multiple days, individual C-141N applications must be submitted for each sampling date. Date ranges are not currently accepted on the C-141N application.**

If you have any questions regarding this application, or don't know why you have received this email, please contact us.

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Appendix I

Laboratory Certificates of Analyses



Vertex Resource Services, Inc.
Colorado • New Mexico • Texas



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

August 22, 2025

ANDREW PARKER
VERTEX RESOURCE
3101 BOYD DRIVE
CARLSBAD, NM 88220

RE: PHILLIPS STATE #2

Enclosed are the results of analyses for samples received by the laboratory on 08/18/25 12:45.

Cardinal Laboratories is accredited through Texas NELAP under certificate number TX-C25-00101. 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".

Celey D. Keene
Lab Director/Quality Manager



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

Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: WS25 - 01 0-2' (H255104-01)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17	
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93	
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09	
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96	
Total BTEX	<0.300	0.300	08/19/2025	ND					

Surrogate: 4-Bromofluorobenzene (PID) 106 % 71.5-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	112	16.0	08/20/2025	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	08/19/2025	ND	207	104	200	11.7	
DRO >C10-C28*	2480	10.0	08/19/2025	ND	203	102	200	11.7	
EXT DRO >C28-C36	587	10.0	08/19/2025	ND					

Surrogate: 1-Chlorooctane 73.1 % 44.4-145

Surrogate: 1-Chlorooctadecane 144 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: WS25 - 02 0-2' (H255104-02)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17	
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93	
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09	
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96	
Total BTEX	<0.300	0.300	08/19/2025	ND					

Surrogate: 4-Bromofluorobenzene (PID) 108 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	08/20/2025	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS						S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	11.2	10.0	08/19/2025	ND	207	104	200	11.7		
DRO >C10-C28*	391	10.0	08/19/2025	ND	203	102	200	11.7		
EXT DRO >C28-C36	338	10.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 85.6 % 44.4-145

Surrogate: 1-Chlorooctadecane 156 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: WS25 - 03 0-2' (H255104-03)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 111 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	08/19/2025	ND	207	104	200	11.7		
DRO >C10-C28*	<10.0	10.0	08/19/2025	ND	203	102	200	11.7		
EXT DRO >C28-C36	<10.0	10.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 78.2 % 44.4-145

Surrogate: 1-Chlorooctadecane 77.2 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: WS25 - 04 0-2' (H255104-04)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 108 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	08/19/2025	ND	207	104	200	11.7		
DRO >C10-C28*	37.0	10.0	08/19/2025	ND	203	102	200	11.7		
EXT DRO >C28-C36	30.4	10.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 79.5 % 44.4-145

Surrogate: 1-Chlorooctadecane 81.0 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 01 2.0' (H255104-05)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 108 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1060	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	08/19/2025	ND	207	104	200	11.7		
DRO >C10-C28*	24.4	10.0	08/19/2025	ND	203	102	200	11.7		
EXT DRO >C28-C36	14.0	10.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 73.8 % 44.4-145

Surrogate: 1-Chlorooctadecane 75.6 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 02 0.25' (H255104-06)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 118 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10*	<100	100	08/19/2025	ND	207	104	200	11.7			
DRO >C10-C28*	6000	100	08/19/2025	ND	203	102	200	11.7			
EXT DRO >C28-C36	2270	100	08/19/2025	ND							

Surrogate: 1-Chlorooctane 81.1 % 44.4-145

Surrogate: 1-Chlorooctadecane 696 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 03 0.25' (H255104-07)

BTEX 8021B		mg/kg		Analyzed By: JH				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	08/20/2025	ND	1.83	91.4	2.00	7.17	
Toluene*	<0.050	0.050	08/20/2025	ND	1.88	94.2	2.00	6.93	
Ethylbenzene*	<0.050	0.050	08/20/2025	ND	1.88	94.2	2.00	6.09	
Total Xylenes*	<0.150	0.150	08/20/2025	ND	5.71	95.2	6.00	5.96	
Total BTEX	<0.300	0.300	08/20/2025	ND					

Surrogate: 4-Bromofluorobenzene (PID) 145 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM				S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	704	16.0	08/20/2025	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS				S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<100	100	08/19/2025	ND	207	104	200	11.7	
DRO >C10-C28*	18500	100	08/19/2025	ND	203	102	200	11.7	
EXT DRO >C28-C36	4620	100	08/19/2025	ND					

Surrogate: 1-Chlorooctane 88.8 % 44.4-145

Surrogate: 1-Chlorooctadecane 1130 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 04 0.25' (H255104-08)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 108 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1900	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	08/19/2025	ND	207	104	200	11.7		
DRO >C10-C28*	522	10.0	08/19/2025	ND	203	102	200	11.7		
EXT DRO >C28-C36	275	10.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 75.0 % 44.4-145

Surrogate: 1-Chlorooctadecane 147 % 40.6-153

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 05 0.25' (H255104-09)

BTEX 8021B		mg/kg		Analyzed By: JH				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	08/20/2025	ND	1.83	91.4	2.00	7.17	
Toluene*	<0.050	0.050	08/20/2025	ND	1.88	94.2	2.00	6.93	
Ethylbenzene*	<0.050	0.050	08/20/2025	ND	1.88	94.2	2.00	6.09	
Total Xylenes*	<0.150	0.150	08/20/2025	ND	5.71	95.2	6.00	5.96	
Total BTEX	<0.300	0.300	08/20/2025	ND					

Surrogate: 4-Bromofluorobenzene (PID) 183 % 71.5-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	384	16.0	08/20/2025	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	11.4	10.0	08/20/2025	ND	207	104	200	11.7	
DRO >C10-C28*	4680	10.0	08/20/2025	ND	203	102	200	11.7	
EXT DRO >C28-C36	1240	10.0	08/20/2025	ND					

Surrogate: 1-Chlorooctane 87.8 % 44.4-145

Surrogate: 1-Chlorooctadecane 249 % 40.6-153

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager



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

Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	08/18/2025	Sampling Date:	08/15/2025
Reported:	08/22/2025	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M RESOURCES LLC		

Sample ID: BS25 - 06 0.25' (H255104-10)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/19/2025	ND	1.83	91.4	2.00	7.17		
Toluene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.93		
Ethylbenzene*	<0.050	0.050	08/19/2025	ND	1.88	94.2	2.00	6.09		
Total Xylenes*	<0.150	0.150	08/19/2025	ND	5.71	95.2	6.00	5.96		
Total BTEX	<0.300	0.300	08/19/2025	ND						

Surrogate: 4-Bromofluorobenzene (PID) 106 % 71.5-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1340	16.0	08/20/2025	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<50.0	50.0	08/19/2025	ND	213	107	200	10.7		
DRO >C10-C28*	2270	50.0	08/19/2025	ND	206	103	200	10.7	QM-07	
EXT DRO >C28-C36	962	50.0	08/19/2025	ND						

Surrogate: 1-Chlorooctane 92.1 % 44.4-145

Surrogate: 1-Chlorooctadecane 153 % 40.6-153

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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.
- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- 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

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Celey D. Keene

Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: Vertex Resource Services

Project Manager: Andrew Parker
Address: 3101 Boyd Drive
City: Carlsbad State: NM Zip: 88220
Phone #: 575.725.5001 Fax #:
Project #: 25A-02813 Project Owner: K&M Resources LLC
Project Name: Phillips State #2
Project Location: Phillips State #2
Sampler Name: Austin Harris

BILL TO: Travis Herron

P.O. #:
Company: K&M Resources LLC
Attn: Travis Herron
Address:
City:
State: Zip:
Phone #:
Fax #:

ANALYSIS REQUEST

Lab I.D.	Sample I.D.	(GRAB OR (C)OMP)	# CONTAINERS	MATRIX							PRESERV.	SAMPLING	DATE	TIME	BTEX (8021)	TPH:8015D(GRO / DRO / MRO)	Chloride	Benzene
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE								
H255104																		
1	WS25-01 0-2'	C	1			X				X		08.15.25	9:00	X	X	X	X	
2	WS25-02 0-2'	C	1			X				X		08.15.25	9:10	X	X	X	X	
3	WS25-03 0-2'	C	1			X				X		08.15.25	9:20	X	X	X	X	
4	WS25-04 0-2'	C	1			X				X		08.15.25	9:30	X	X	X	X	
5	BS25-01 2.0'	C	1			X				X		08.15.25	9:40	X	X	X	X	
6	BS25-02 0.25'	C	1			X				X		08.15.25	9:50	X	X	X	X	
7	BS25-03 0.25'	C	1			X				X		08.15.25	10:00	X	X	X	X	
8	BS25-04 0.25'	C	1			X				X		08.15.25	10:10	X	X	X	X	
9	BS25-05 0.25'	C	1			X				X		08.15.25	10:20	X	X	X	X	
10	BS25-06 0.25'	C	1			X				X		08.15.25	10:30	X	X	X	X	

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Relinquished By: *[Signature]* Date: 8-17-25 Time: 17:00 Received By: *[Signature]* Verbal Result: Yes No Add'l Phone #:
Please Email Results: Andrew Parker (A.parker@vertexresource.com), permian@vertexresource.com

Relinquished By: *[Signature]* Date: 8-18-25 Time: 12:45 Received By: *[Signature]* REMARKS: CC: Andrew Parker for final Report. Travis Herron will pay by Credit Card

Delivered By: (Circle One) Sampler - UPS - Bus - Other: Observed Temp. °C: 2.5 Corrected Temp. °C: 2.8 Sample Condition: Cool Intact Yes No CHECKED BY (Initials): *[Signature]* Turnaround Time: Standard Bacteria (only) Sample Condition Rush: Cool Intact Observed Temp. °C: Thermometer ID: #140 Correction Factor: -0.3°C +0.3°C Yes No No No Corrected Temp. °C

FORM-006 R 3.2 10/07/21

† Cardinal cannot accept verbal changes. Please email changes to celey.keene@cardinallabsnm.com



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

February 18, 2026

ANDREW PARKER
VERTEX RESOURCE
3101 BOYD DRIVE
CARLSBAD, NM 88220

RE: PHILLIPS STATE #2

Enclosed are the results of analyses for samples received by the laboratory on 02/12/26 13:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number TX-C25-00101. 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,

Celey D. Keene
Lab Director/Quality Manager



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

Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 01 0' (H260849-01)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07	
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08	
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1	
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8	
Total BTEX	<0.300	0.300	02/13/2026	ND					

Surrogate: 4-Bromofluorobenzene (PID) 119 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	656	16.0	02/13/2026	ND	464	116	400	3.51	

TPH 8015M		mg/kg		Analyzed By: JF					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11	
DRO >C10-C28*	1210	10.0	02/13/2026	ND	185	92.6	200	1.90	
EXT DRO >C28-C36	413	10.0	02/13/2026	ND					

Surrogate: 1-Chlorooctane 84.4 % 52.4-130

Surrogate: 1-Chlorooctadecane 97.1 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received: 02/12/2026
 Reported: 02/18/2026
 Project Name: PHILLIPS STATE #2
 Project Number: 25A-02813
 Project Location: K&M - LEA COUNTY

Sampling Date: 02/11/2026
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: BH26 - 01 2' (H260849-02)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 113 % 70.4-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	688	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	240	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	91.6	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 84.8 % 52.4-130

Surrogate: 1-Chlorooctadecane 83.0 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 01 4' (H260849-03)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07	
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08	
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1	
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8	
Total BTEX	<0.300	0.300	02/13/2026	ND					

Surrogate: 4-Bromofluorobenzene (PID) 118 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	640	16.0	02/13/2026	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: JF					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11	
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90	
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND					

Surrogate: 1-Chlorooctane 79.9 % 52.4-130

Surrogate: 1-Chlorooctadecane 79.3 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 01 6' (H260849-04)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 97.4 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	928	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 84.3 % 52.4-130

Surrogate: 1-Chlorooctadecane 83.2 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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

Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 01 10' (H260849-05)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 108 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	704	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 80.0 % 52.4-130

Surrogate: 1-Chlorooctadecane 77.8 % 39.9-141

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager



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

Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 01 20' (H260849-06)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 97.9 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	624	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 78.6 % 52.4-130

Surrogate: 1-Chlorooctadecane 77.0 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received: 02/12/2026
 Reported: 02/18/2026
 Project Name: PHILLIPS STATE #2
 Project Number: 25A-02813
 Project Location: K&M - LEA COUNTY

Sampling Date: 02/11/2026
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: BH26 - 02 0' (H260849-08)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 114 % 70.4-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	160	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	1630	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	480	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 86.3 % 52.4-130

Surrogate: 1-Chlorooctadecane 106 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 02 2' (H260849-09)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 118 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	352	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	332	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	150	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 83.1 % 52.4-130

Surrogate: 1-Chlorooctadecane 78.8 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received: 02/12/2026
 Reported: 02/18/2026
 Project Name: PHILLIPS STATE #2
 Project Number: 25A-02813
 Project Location: K&M - LEA COUNTY

Sampling Date: 02/11/2026
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: BH26 - 02 4' (H260849-10)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07	
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08	
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1	
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8	
Total BTEX	<0.300	0.300	02/13/2026	ND					

Surrogate: 4-Bromofluorobenzene (PID) 96.2 % 70.4-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1380	16.0	02/13/2026	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: JF					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11	
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90	
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND					

Surrogate: 1-Chlorooctane 77.2 % 52.4-130

Surrogate: 1-Chlorooctadecane 76.3 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 02 6' (H260849-11)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 93.1 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1420	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 85.5 % 52.4-130

Surrogate: 1-Chlorooctadecane 84.4 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 02 10' (H260849-12)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 92.6 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	912	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 76.5 % 52.4-130

Surrogate: 1-Chlorooctadecane 75.4 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 02 24' (H260849-14)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 92.2 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1010	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 81.0 % 52.4-130

Surrogate: 1-Chlorooctadecane 79.8 % 39.9-141

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 03 0' (H260849-15)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07	
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08	
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1	
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8	
Total BTEX	<0.300	0.300	02/13/2026	ND					

Surrogate: 4-Bromofluorobenzene (PID) 120 % 70.4-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	02/13/2026	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: JF						S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<50.0	50.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	8680	50.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	2520	50.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 85.8 % 52.4-130

Surrogate: 1-Chlorooctadecane 284 % 39.9-141

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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received: 02/12/2026
 Reported: 02/18/2026
 Project Name: PHILLIPS STATE #2
 Project Number: 25A-02813
 Project Location: K&M - LEA COUNTY

Sampling Date: 02/11/2026
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: BH26 - 03 2' (H260849-16)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 117 % 70.4-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<50.0	50.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	704	50.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	309	50.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 84.7 % 52.4-130

Surrogate: 1-Chlorooctadecane 94.9 % 39.9-141

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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 03 4' (H260849-17)

BTEX 8021B		mg/kg		Analyzed By: JH					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07	
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08	
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1	
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8	
Total BTEX	<0.300	0.300	02/13/2026	ND					

Surrogate: 4-Bromofluorobenzene (PID) 113 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	02/13/2026	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: JF					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11	
DRO >C10-C28*	76.4	10.0	02/13/2026	ND	185	92.6	200	1.90	
EXT DRO >C28-C36	32.1	10.0	02/13/2026	ND					

Surrogate: 1-Chlorooctane 77.9 % 52.4-130

Surrogate: 1-Chlorooctadecane 75.6 % 39.9-141

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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received:	02/12/2026	Sampling Date:	02/11/2026
Reported:	02/18/2026	Sampling Type:	Soil
Project Name:	PHILLIPS STATE #2	Sampling Condition:	Cool & Intact
Project Number:	25A-02813	Sample Received By:	Tamara Oldaker
Project Location:	K&M - LEA COUNTY		

Sample ID: BH26 - 03 6' (H260849-18)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 108 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	13.2	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 77.9 % 52.4-130

Surrogate: 1-Chlorooctadecane 76.8 % 39.9-141

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Analytical Results For:

VERTEX RESOURCE
 ANDREW PARKER
 3101 BOYD DRIVE
 CARLSBAD NM, 88220
 Fax To: NA

Received: 02/12/2026
 Reported: 02/18/2026
 Project Name: PHILLIPS STATE #2
 Project Number: 25A-02813
 Project Location: K&M - LEA COUNTY

Sampling Date: 02/11/2026
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: BH26 - 03 10' (H260849-19)

BTEX 8021B		mg/kg		Analyzed By: JH						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/13/2026	ND	2.19	110	2.00	3.07		
Toluene*	<0.050	0.050	02/13/2026	ND	2.24	112	2.00	6.08		
Ethylbenzene*	<0.050	0.050	02/13/2026	ND	2.45	123	2.00	11.1		
Total Xylenes*	<0.150	0.150	02/13/2026	ND	7.36	123	6.00	12.8		
Total BTEX	<0.300	0.300	02/13/2026	ND						

Surrogate: 4-Bromofluorobenzene (PID) 115 % 70.4-141

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	128	16.0	02/13/2026	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: JF						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10*	<10.0	10.0	02/13/2026	ND	208	104	200	1.11		
DRO >C10-C28*	<10.0	10.0	02/13/2026	ND	185	92.6	200	1.90		
EXT DRO >C28-C36	<10.0	10.0	02/13/2026	ND						

Surrogate: 1-Chlorooctane 75.9 % 52.4-130

Surrogate: 1-Chlorooctadecane 74.3 % 39.9-141

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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.
- QR-04 The RPD for the BS/BSD was outside of historical limits.
- BS-3 Blank spike recovery outside of lab established statistical limits, but still within method limits. Data is not adversely affected.
- 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

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Celey D. Keene, Lab Director/Quality Manager



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(575) 393-2326 FAX (575) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: Vertex Resource Services		BILL TO			ANALYSIS REQUEST		
Project Manager: Andrew Parker		P.O. #:			BTEX (8021) TPH:8015D(GRO / DRO / MRO) Chloride		
Address: 3101 Boyd Drive		Company: K&M Resources LLC					
City: Carlsbad State: NM Zip: 88220		Attn: Travis Herron					
Phone #: 575.725.5001 Fax #:		Address:					
Project #: 25A-02811 Project Owner: K&M Resources LLC		City: Midland					
Project Name: Phillips State #2		State: Zip:					
Project Location: Lea County		Phone #:					
Sampler Name: J. Rewis		Fax #:					

Lab I.D.	Sample I.D.	(GIRAB OR (C)OMP)	# CONTAINERS	MATRIX							PRESERV.	SAMPLING		DATE	TIME	BTEX (8021)	TPH:8015D(GRO / DRO / MRO)	Chloride	
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER							
H260849																			
1	BH26-01 0'	G	1		X									2.11.26	1200	X	X	X	
2	BH26-01 2'	G	1		X									2.11.26	1202	X	X	X	
3	BH26-01 4'	G	1		X									2.11.26	1204	X	X	X	
4	BH26-01 6'	G	1		X									2.11.26	1206	X	X	X	
5	BH26-01 10'	G	1		X									2.11.26	1208	X	X	X	
6	BH26-01 20'	G	1		X									2.11.26	1210	X	X	X	
7	BH26-01 24'	G	1		X									2.11.26	1215	X	X	X	HOLD SAMPLE
8	BH26-02 0'	G	1		X									2.11.26	1130	X	X	X	
9	BH26-02 2'	G	1		X									2.11.26	1135	X	X	X	
10	BH26-02 4'	G	1		X									2.11.26	1138	X	X	X	

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0402401K

Relinquished By:	Date: 2.12.26 Time: 1315	Received By:	Verbal Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:	
Relinquished By:	Date:	Received By:	All Results are emailed. Please provide Email address: aparker@vertexresource.com jrewis@vertexresource.com, permian@vertexresource.com		
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Observed Temp. °C: 30 Corrected Temp. °C: 31	Sample Condition Cool Intact: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Other: <input type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: (Initials) 	Turnaround Time: Standard <input checked="" type="checkbox"/> Bacteria (only) Sample Condition	REMARKS: Direct Bill to K&M Resources LLC (Travis Herron) PS 1/2
			Thermometer ID: #13 Correction Factor: -0.3°C	Thermometer ID: #140 Correction Factor: +0.1°C	

FORM-006 R 3.2 10/07/21

† Cardinal cannot accept verbal changes. Please email changes to celey.keene@cardinallabsnm.com



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: Vertex Resource Services
Project Manager: Andrew Parker
Address: 3101 Boyd Drive
City: Carlsbad State: NM Zip: 88220
Phone #: 575.725.5001 Fax #:
Project #: 25A-02811 Project Owner: K&M Resources LLC
Project Name: Phillips State #2
Project Location: Lea County
Sampler Name: J. Rewis

Table with columns: Lab I.D., Sample I.D., (G)RAB OR (C)OMP, # CONTAINERS, MATRIX (GROUNDWATER, WASTEWATER, SOIL, OIL, SLUDGE, OTHER), PRESERV. (ACID/BASE, ICE / COOL, OTHER), SAMPLING (DATE, TIME), BTEX (8021), TPH:8015D(GRO / DRO / MRO), Chloride. Includes handwritten entries for samples 11-20.

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Relinquished By: [Signature] Date: 12.26 Time: 1315
Received By: [Signature] Verbal Result: [] Yes [] No Add'l Phone #:
REMARKS: Direct Bill to K&M Resources LLC (Travis Herron)
Delivered By: (Circle One) Sampler - UPS - Bus - Other:
Observed Temp. °C 3.0 Corrected Temp. °C 3.1
Sample Condition Cool Intact [] Yes [] No
CHECKED BY: [Signature]
Turnaround Time: Standard [] Bacteria (only) Sample Condition []
Thermometer ID #140 Correction Factor -0.5°C

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 573985

QUESTIONS

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2533039712
Incident Name	NAPP2533039712 PHILLIPS STATE #002 @ 30-025-28670
Incident Type	Other
Incident Status	Remediation Plan Received
Incident Well	[30-025-28670] PHILLIPS STATE #002

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	PHILLIPS STATE #002
Date Release Discovered	06/10/1986
Surface Owner	State

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Other
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Cause: Other Unknown Crude Oil Released: 0 BBL (Unknown Released Amount) Recovered: 0 BBL Lost: 0 BBL.
Produced Water Released (bbls) Details	Cause: Other Unknown Produced Water Released: 0 BBL (Unknown Released Amount) Recovered: 0 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Reporting a legacy release discovered while remediating an unreportable release <5 bbls.

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QUESTIONS, Page 2

Action 573985

QUESTIONS (continued)

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.

With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

I hereby agree and sign off to the above statement	Name: Andrew Parker Title: Consultant Email: aparker@vertexresource.com Date: 04/10/2026
--	---

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QUESTIONS, Page 3

Action 573985

QUESTIONS (continued)

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Site Characterization
Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 75 and 100 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 300 and 500 (ft.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between ½ and 1 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Between 1 and 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1 and 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between ½ and 1 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	No

Soil Contamination Sampling: (Provide the highest observable value for each, in milligrams per kilograms.)

Chloride (EPA 300.0 or SM4500 Cl B)	1900
TPH (GRO+DRO+MRO) (EPA SW-846 Method 8015M)	23120
GRO+DRO (EPA SW-846 Method 8015M)	18500
BTEX (EPA SW-846 Method 8021B or 8260B)	0
Benzene (EPA SW-846 Method 8021B or 8260B)	0

Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.

On what estimated date will the remediation commence	06/15/2026
On what date will (or did) the final sampling or liner inspection occur	06/22/2026
On what date will (or was) the remediation complete(d)	07/15/2026
What is the estimated surface area (in square feet) that will be reclaimed	2057
What is the estimated volume (in cubic yards) that will be reclaimed	152
What is the estimated surface area (in square feet) that will be remediated	2057
What is the estimated volume (in cubic yards) that will be remediated	152

These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed. The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS, Page 4

Action 573985

QUESTIONS (continued)

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Remediation Plan (continued)

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:

(Select all answers below that apply.)

(Ex Situ) Excavation and off-site disposal (i.e. dig and haul, hydrovac, etc.)	Yes
Which OCD approved facility will be used for off-site disposal	fEEM0112342028 LEA LAND LANDFILL
OR which OCD approved well (API) will be used for off-site disposal	Not answered.
OR is the off-site disposal site, to be used, out-of-state	Not answered.
OR is the off-site disposal site, to be used, an NMED facility	Not answered.
(Ex Situ) Excavation and on-site remediation (i.e. On-Site Land Farms)	Not answered.
(In Situ) Soil Vapor Extraction	Not answered.
(In Situ) Chemical processing (i.e. Soil Shredding, Potassium Permanganate, etc.)	Not answered.
(In Situ) Biological processing (i.e. Microbes / Fertilizer, etc.)	Not answered.
(In Situ) Physical processing (i.e. Soil Washing, Gypsum, Disking, etc.)	Not answered.
Ground Water Abatement pursuant to 19.15.30 NMAC	Not answered.
OTHER (Non-listed remedial process)	Not answered.

Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

I hereby agree and sign off to the above statement	Name: Andrew Parker Title: Consultant Email: aparker@vertexresource.com Date: 04/10/2026
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The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS, Page 5

Action 573985

QUESTIONS (continued)

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Deferral Requests Only	
<i>Only answer the questions in this group if seeking a deferral upon approval this submission. Each of the following items must be confirmed as part of any request for deferral of remediation.</i>	
Requesting a deferral of the remediation closure due date with the approval of this submission	No

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QUESTIONS, Page 6

Action 573985

QUESTIONS (continued)

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

QUESTIONS

Sampling Event Information	
Last sampling notification (C-141N) recorded	549963
Sampling date pursuant to Subparagraph (a) of Paragraph (1) of Subsection D of 19.15.29.12 NMAC	02/11/2026
What was the (estimated) number of samples that were to be gathered	12
What was the sampling surface area in square feet	2120

Remediation Closure Request

Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.

Requesting a remediation closure approval with this submission	No
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State of New Mexico
Energy, Minerals and Natural Resources
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1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 573985

CONDITIONS

Operator: K&M RESOURCES LLC P.O. Box 1540 Artesia, NM 88211	OGRID: 330662
	Action Number: 573985
	Action Type: [C-141] Site Char./Remediation Plan C-141 (C-141-v-Plan)

CONDITIONS

Created By	Condition	Condition Date
michael.buchanan	Site characterization and remediation plan is approved to include the following Conditions of Approval: 1. The depth to groundwater has not been adequately determined. When nearby wells are used to determine depth to groundwater, the wells should be no farther than ½ mile away from the site, and data should be no more than 25 years old, and well construction information should be provided in the submission. The responsible party may choose to remediate to the most stringent levels listed in Table 1 of 19.15.29 NMAC in lieu of drilling to determine the depth to groundwater. Additionally, it is noted by the OCD that the remediation report was due to OCD by 04/27/2026, but was not received until 05/06/2026.	5/13/2026