

June 24, 2010

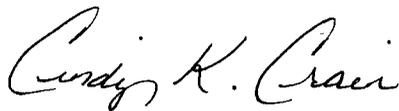
Mr. Mike Bratcher
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1301 W. Grand Avenue
Artesia, New Mexico 88210

**Re: Spill Remediation Report
Devon Energy,
Joell 6 #2 Battery,
Unit Letter G (SW/4, NE/4), Section 6, Township 23 South, Range 27 East,
Eddy County, New Mexico (Latitude: N 32°, 20.210', Longitude: W 104°, 13.484')
2RP # 386**

Dear Mr. Bratcher:

Please find enclosed a copy of the above-referenced report. The report is submitted on behalf of Devon Energy, and presents the final results of spill remediation conducted by Ocotillo Environmental, LLC. Please call Jerry Mathews at (575) 748-5234 or myself at (575) 441-7244 if you have questions.

Sincerely,
Ocotillo Environmental, LLC

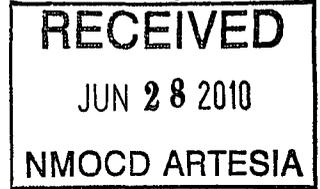


Cindy K. Crain, P.G.
Environmental Manager

cc: Jerry Mathews - Devon

Ocotillo ENVIRONMENTAL

Dirt Work • On-Site Remediation • Soil Testing • Excavation



June 23, 2010

Mr. Mike Bratcher
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1301 W. Grand Avenue
Artesia, New Mexico 88210

**Re: Spill Remediation Report
Devon Energy,
Joell 6 #2 Battery,
Unit Letter G (SW/4, NE/4), Section 6, Township 23 South, Range 27 East,
Eddy County, New Mexico (Latitude: N 32°, 20.210', Longitude: W 104°, 13.484')
2RP # 386**

Dear Mr. Bratcher:

Devon Energy Production Company, L.P. (Devon) has retained Ocotillo Environmental, LLC (Ocotillo) to remediate impacts to soil from a spill that occurred at the Joell 6 #2 tank battery (Site) on January 16, 2010. Approximately 33 barrels of oil and produced water were spilled from the water tank located in the southwest quarter (SW/4) of the northeast quarter (NE/4), Section 6, Township 23 South, Range 27 East, Eddy County, New Mexico, and no fluid was recovered from the site. The spill was partially contained within the firewall. A C-141 was submitted to the New Mexico Oil Conservation Division (NMOCD) on January 20, 2010, a copy of which is attached. Figure 1 shows the site location. Figure 2 shows the original tank battery and the spill area.

Based on published literature (1961), well records of the New Mexico State Engineer (NMSE), and well records from the United States Geological Service (USGS) database, groundwater occurs at approximately 120 feet below ground surface (bgs) at the nearest well. A domestic water well is located approximately 800 feet northwest of the Site. The NMOCD has established RRALs for benzene, total BTEX and TPH resulting from spills of natural gas liquids ("Guidelines for Remediation of Leaks, Spills and Releases, August 13, 1993"). Remediation levels for benzene, total BTEX and TPH were calculated using the following NMOCD criteria:

Criteria	Result	Ranking Score
Depth-to-Groundwater	>100 Feet	0
Wellhead Protection Area	No	0
Distance to Surface Water Body	>1000 Horizontal Feet	0
	Total:	0

The following RRALs have been assigned based on NMOCD criteria:

Benzene 10 mg/kg
Total BTEX 50 mg/kg
TPH 5,000 mg/kg

Remediation Activities

From March 29 to April 2, 2010, Ocotillo excavated soil from the tank battery area and hauled to an NMOCD approved disposal facility. Soil samples were collected from the bottom and sides of the excavated area on April 5, 2010, and submitted to Cardinal Laboratories (Cardinal) of Hobbs, New Mexico for total petroleum hydrocarbon (TPH) and chloride analyses. Figure 3 shows the soil sample locations. Table 1 presents a summary of the laboratory analyses of soil samples. Appendix A provides laboratory data and chain of custody documentation.

Referring to Table 1, TPH concentrations from all samples were reported below the test method detection limit. Chloride concentrations from all samples were reported less than 1,000 mg/kg with the exception of the sample collected from the south wall at the west third of the excavation (1,010 mg/kg).

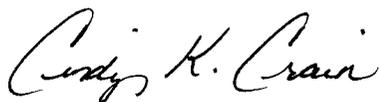
Excavation continued at the central portion of the north wall and the western portion of the south wall, until confirmation samples were collected from the north wall on April 16, 2010 and the south wall on April 19, 2010. All samples were delivered to Cardinal for laboratory analysis of chlorides. Table 1 provides a summary of the laboratory results. Figure 3 shows the sample locations. Appendix A provides a copy of the laboratory reports and chain of custody documentation. All additionally excavated soil was hauled to disposal.

Referring to Table 1, final confirmation samples reported all TPH concentrations less than the test method detection limits, and all chloride concentrations below 1,000 mg/kg. The excavation was backfilled with clean soil and firewalls were constructed around the tank battery location. A 20 mil plastic liner was installed at the surface of the battery area and extended over the firewalls. The Joell 6 #2 tank battery was re-constructed.

Devon respectfully requests that the Joell 6 #2 Tank Battery site be closed by the NMOCD. A final C141 form is attached as the last page of this report.

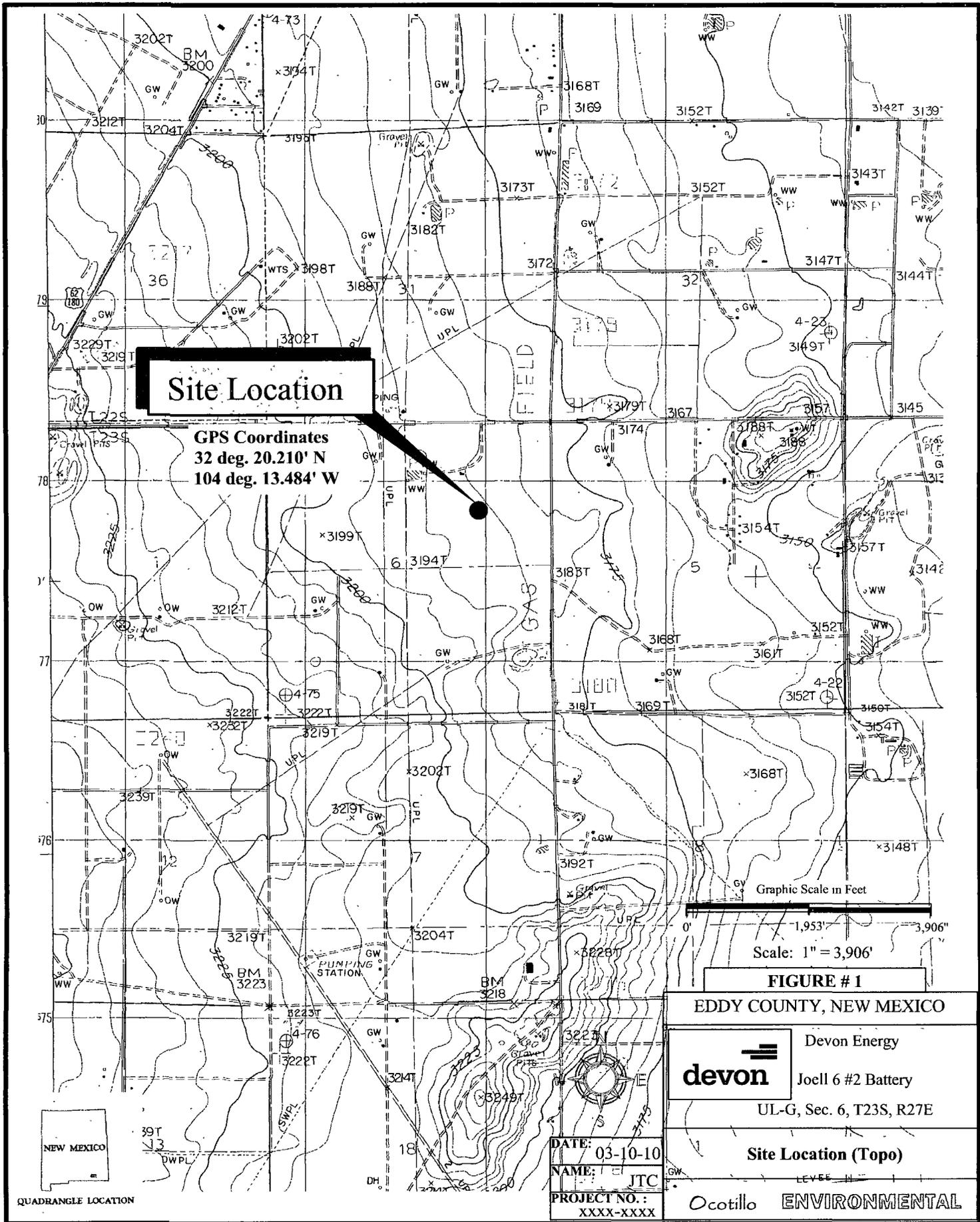
If you have any questions or need additional information, please call Mr. Jerry Mathews at (575) 748-5234, or myself at (575) 441-7244. We may also be reached by email at Jerry.Mathews@dvn.com or Cindy.Crain@gmail.com.

Sincerely,
Ocotillo Environmental, LLC



Cindy K. Crain, P.G.
Environmental Manager

FIGURES



Site Location

GPS Coordinates
 32 deg. 20.210' N
 104 deg. 13.484' W

Graphic Scale in Feet

0' 1,953' 3,906'
 Scale: 1" = 3,906'

FIGURE # 1

EDDY COUNTY, NEW MEXICO

devon Devon Energy
 Joell 6 #2 Battery
 UL-G, Sec. 6, T23S, R27E

Site Location (Topo)

DATE: 03-10-10
 NAME: JTC
 PROJECT NO.: XXXX-XXXX

Ocotillo ENVIRONMENTAL



QUADRANGLE LOCATION

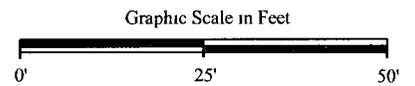
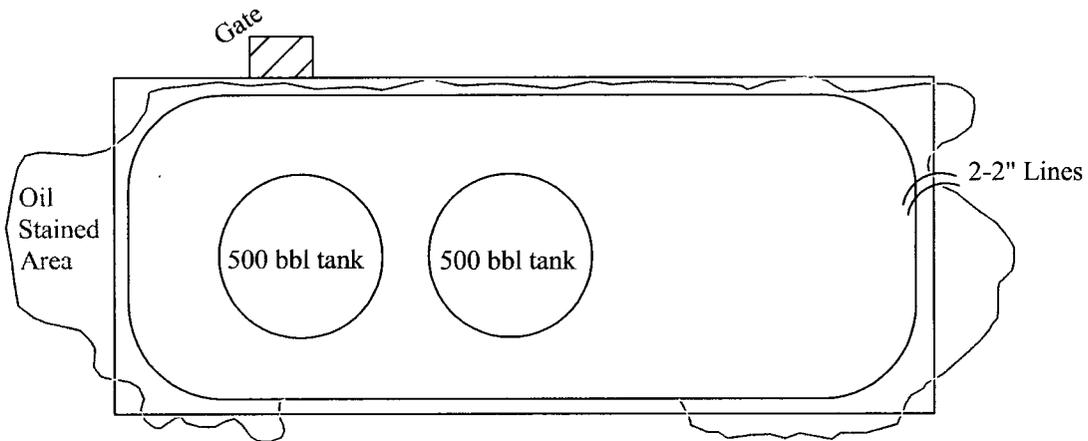


FIGURE # 2

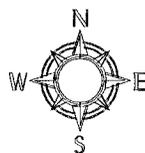
Eddy County, NM

 Devon Energy
devon Joell 6 #2 Battery

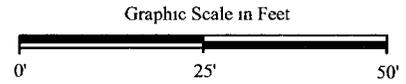
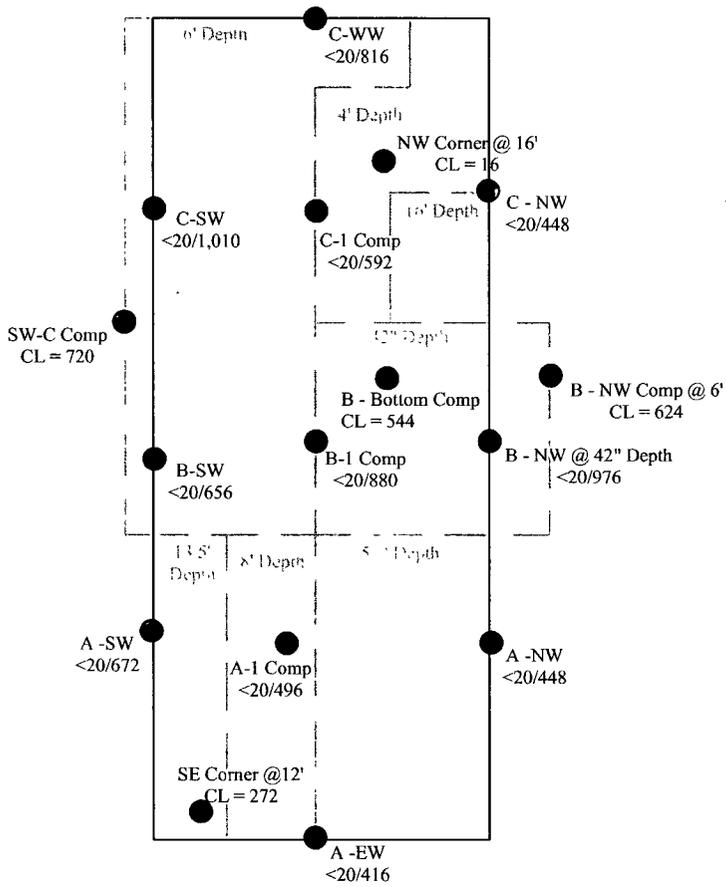
UL-G, Sec. 6, T23S, R27E

Site Drawing 2-25-10

Ocotillo ENVIRONMENTAL



DATE: 03-10-10
 NAME: JTC
 PROJECT NO.: XXXX-XXXX



Legend

● Soil Sample Location With TPH and/or Chloride Concentrations (mg/kg)

A-1 Comp <20/496

FIGURE # 3

Eddy County, NM

Devon Energy
Joell 6 #2 Battery
UL-G, Sec. 6, T23S, R27E

Site Drawing With Soil Sample Locations

Ocotillo ENVIRONMENTAL

DATE: 06-18-10

NAME: JTC

PROJECT NO.: XXXX-XXXX

TABLE

Table 1:
Summary of Laboratory Analysis of Soil Samples from Excavation
Devon Energy, Joell 6 #2 Tank Battery
Unit Letter G, Section 6, Township 23 South, Range 27 East
Eddy County, New Mexico

Sample Date	Sample Name	Sample Location	Sample Depth (feet BGS)	TPH - GRO (C6 - C10) (mg/kg)	TPH - DRO (C10 - C28) (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Total BTEX (mg/kg)	Chloride (mg/kg)	Soil Status
WQCC Standard						5,000	10	50	1,000	
3/24/10	Surface - WCS	Center	Surface	1,680	1,980	3,660	<0.050	12 041	16	Excavated
4/5/10	A-1-Comp	A Bottom	4.5 to 13.5	<10.0	<10.0	<20.0	---	---	496	In Situ
4/5/10	A-NW	North Wall	---	<10.0	<10.0	<20.0	---	---	448	In Situ
4/5/10	A-SW	South Wall	---	<10.0	<10.0	<20.0	---	---	672	In Situ
4/5/10	B-1-Comp	B Bottom	3.5 to 6	<10.0	<10.0	<20.0	---	---	880	Excavated
4/5/10	B-NW	North Wall	---	<10.0	<10.0	<20.0	---	---	976	Excavated
4/5/10	B-SW	South Wall	---	<10.0	<10.0	<20.0	---	---	656	In Situ
4/5/10	C-1-Comp	C Bottom	6 to 16	<10.0	<10.0	<20.0	---	---	592	In Situ
4/5/10	C-NW	North Wall	---	<10.0	<10.0	<20.0	---	---	448	In Situ
4/5/10	C-SW	South Wall	---	<10.0	<10.0	<20.0	---	---	1,010	Excavated
4/5/10	A-EW	East Wall	---	<10.0	<10.0	<20.0	---	---	416	In Situ
4/5/10	C-WW	West Wall	---	<10.0	<10.0	<20.0	---	---	816	In Situ
4/9/10	NW Corner	NW Corner	16	---	---	---	---	---	16	In Situ
4/9/10	SE Corner	SE Corner	12	---	---	---	---	---	272	In Situ
4/16/10	B-NW-Comp	North Wall	---	---	---	---	---	---	624	In Situ
4/16/10	B-Bottom	B Bottom	6	---	---	---	---	---	544	In Situ
4/19/10	SP-Comp - B	B Spoil	---	---	---	---	---	---	576	---
4/19/10	SP-Comp-C	C Spoil	---	---	---	---	---	---	736	---
4/19/10	SW-C-Comp	South Wall	---	---	---	---	---	---	720	In Situ
4/7/10	BG @ 225°E	Background	Surface	---	---	---	---	---	96	In Situ
4/7/10	BG @ 175°N	Background	Surface	---	---	---	---	---	160	In Situ
4/7/10	BG @ 60°W	Background	Surface	---	---	---	---	---	272	In Situ
4/7/10	BG @ 60° S	Background	Surface	---	---	---	---	---	96	In Situ

Notes

- 1 BGS:
2. mg/kg
3. ---
4. <

Samples analyzed by Cardinal Laboratories, Hobbs, New Mexico

Depth in feet below ground surface

Milligrams per kilogram

No Data Available

Less than method detection limit

APPENDIX A

LABORATORY DATA AND CHAIN OF CUSTODY DOCUMENTATION



ARDINAL LABORATORIES

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

March 25, 2010

Cindy Crain
Ocotillo Environmental, LLC
P.O. Box 1816
Hobbs, NM 88241

Re: Devon Joell 6 #2

Enclosed are the results of analyses for sample number H119537, received by the laboratory on 03/25/10 at 8:00 am.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL
ATTN: CINDY CRAIN
P O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

Receiving Date: 03/25/10
Reporting Date: 03/25/10
Project Owner: DEVON ENERGY
Project Name: DEVON, JOELL 6 #2
Project Location: 3 MILES SOUTH OF CARLSBAD, NM

Sampling Date: 03/24/10
Sample Type: SOIL
Sample Condition: COOL & INTACT @ 0°C
Sample Received By: JH
Analyzed By: AB/ZL/HM

LAB NO.	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	CI ⁻ (mg/kg)
ANALYSIS DATE.		03/25/10	03/25/10	03/25/10	03/25/10	03/25/10	03/25/10	03/25/10
H19537-1	SURFACE-WCS	1,680	1,980	<0.050	0.637	0.704	10.7	16
Quality Control		506	535	0.053	0.043	0.044	0.139	500
True Value QC		500	500	0.050	0.050	0.050	0.150	500
% Recovery		101	107	106	86.0	88.0	92.7	100
Relative Percent Difference		0.6	13.6	10.8	11.2	15.7	10.7	<0.1

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B; CI-: Std. Methods 4500-CI-B
*Analysis performed on a 1:4 w.v aqueous extracts. Reported on wet weight.
TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.



Lab Director



Date

H19537 TBCL 000



**ARDINAL
LABORATORIES**

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

April 7, 2010

Cindy Crain
Ocotillo Environmental, LLC
P.O. Box 1816
Hobbs, NM 88241

Re: Joell 6 #2

Enclosed are the results of analyses for sample number H19599, received by the laboratory on 04/05/10 at 3:10 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though 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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.



ARDINAL LABORATORIES

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

Excavation

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

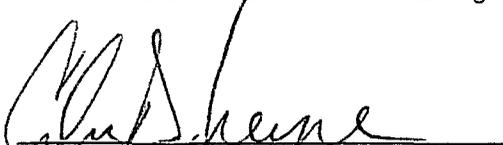
Receiving Date: 04/05/10 Sampling Date: 04/05/10
Reporting Date: 04/06/10 Sample Type: SOIL
Project Owner: NOT GIVEN Sample Condition: COOL & INTACT @ 5°C
Project Name: JOELL 6 #2 Sample Received By: JH
Project Location: 3.2 MILES S. OF CARLSBAD, NM Analyzed By: AB/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)	*Cl ⁻ (mg/kg)
ANALYSIS DATE		04/05/10	04/05/10	04/06/10
H19599-1	A-1-COMP.	<10.0	<10.0	496
H19599-2**	A-NW	<10.0	<10.0	448
H19599-3**	A-SW	<10.0	<10.0	672
H19599-4	B-1-COMP.	<10.0	<10.0	880
H19599-5**	B-NW	<10.0	<10.0	976
H19599-6	B-SW	<10.0	<10.0	656
H19599-7	C-1-COMP.	<10.0	<10.0	592
H19599-8	C-NW	<10.0	<10.0	448
H19599-9	C-SW	<10.0	<10.0	1,010
H19599-10	A-EW	<10.0	<10.0	416
H19599-11	C-WW	<10.0	<10.0	816
Quality Control		571	575	500
True Value QC		500	500	500
% Recovery		114	115	100
Relative Percent Difference		0.5	7.5	< 0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl⁻: Std. Methods 4500-Cl⁻B

*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight.

**One or more of the TPH surrogates outside historical limits due to matrix interference.


Chemist


Date

H19599 TCL OCO



CARDINAL LABORATORIES

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

Company Name: <u>DEVON ENERGY</u>		BILL TO		ANALYSIS REQUEST					
Project Manager: <u>CINDY CRAIN</u>		P.O. #:							
Address: <u>2125 FRENCH DRIVE P.O. Box 1816</u>		Company: <u>Ocotillo</u>							
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Attn:							
Phone #: <u>575-441-7244</u> Fax #:		Address:							
Project #:		City:							
Project Name: <u>JOELL 6 #2</u>		State: Zip:							
Project Location: <u>3.2 MILES SOUTH OF CARLSBAD, NM.</u>		Phone #:							
Sampler Name: <u>DON GREEN</u>		Fax #:							

FOR LAB USE ONLY		# GRAB OR (COMP. CONTAINERS)	MATRIX					PRESERV.		SAMPLING		DATE	TIME	
Lab I.D.	Sample I.D.		GROUNDWATER	WASTEWATER	SOIL	SLUDGE	OTHER:	ACID/BASE	REF/COOL	OTHER:				
H19599-1	A-1 A-1 - comp.	C 1			✓			✓			4/5/10	13:00	✓	✓
2	A-NW	C 1									"	"		
3	A-SW	C 1									"	"		
4	B-1 - comp.	C 1									"	"		
5	B-NW	C 1									"	"		
6	B-SW	C 1									"	"		
7	C-1 - comp.	C 1									"	"		
8	C-NW	C 1									"	"		
9	C-SW	C 1									"	"		
10	A-EW	C 1									"	"		

TPH 8015
CL

PLEASE NOTE: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Sampler Relinquished: <u>Don Green</u>		Date: <u>4/5/10</u>	Received By:		Phone Result: <input type="checkbox"/> No	Add'l Phone #:
		Time: <u>15:10</u>			Fax Result: <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date: <u>4/5/10</u>	Received By: <u>Jodi Benson</u>		REMARKS:	
		Time: <u>3:10</u>				
Delivered By: (Circle One)		Temp.:	Sample Condition	CHECKED BY:		
Sampler - UPS - Bus - Other:		<u>50</u>	Cool/Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>GA</u>		

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

#26



**ARDINAL
LABORATORIES**

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

April 12, 2010

Cindy Crain
Devon Energy
P.O. Box 1816
Hobbs, NM 88241

Re: Joell6 #2

Enclosed are the results of analyses for sample number H19624, received by the laboratory on 04/09/10 at 1:25 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

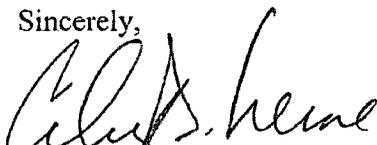
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

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

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,


Caley D. Keene
Laboratory Director

This report conforms with NELAP requirements.



**ARDINAL
LABORATORIES**

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

April 19, 2010

Cindy Crain
Ocotillo Environmental
P.O. Box 1816
Hobbs, NM 88241

Re: Joell 6 #2

Enclosed are the results of analyses for sample number H19697, received by the laboratory on 04/16/10 at 4:50 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603

(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

2 of 1

Company Name: DEVON ENERGY		BILL TO		ANALYSIS REQUEST											
Project Manager: CINDY CRAIN		P.O. #:													
Address: 2125 FRENCH DRIVE, P.O. BOX 1816		Company: OCOTILLO													
City: HOBBS State: NM Zip: 88240		Attn:													
Phone #: 505-44-7244 Fax #:		Address:													
Project #:		Project Owner:													
Project Name: JOELL 6, #2		City:													
Project Location: 3.2 MILES SOUTH OF CARLSBAD NM		State: Zip:													
Sampler Name: D. GREEN		Phone #:													
		Fax #:													

FOR LAB USE ONLY		(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX						PRESERV.		SAMPLING		DATE	TIME
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	ACID/BASE:	ICE / COOL	OTHER :			
HA1697-1	B-NW-COMP.	C	1			✓							4/16/10	3:00 PM	✓
2	B-BOTTON-COMP.	C	1			✓							"	"	

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <i>Don Green</i>	Date: 4/16/10 Time: 16:50	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:	Date: 4/16/10 Time: 4:50	Received By: <i>Jodi Benson</i>	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Sample Condition Cool Intact 22°C <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CHECKED BY: (Initials) <i>JH</i>	REMARKS:	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26



ARDINAL LABORATORIES

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

April 23, 2010

Cindy Crain
Ocotillo Environmental
P.O. Box 1816
Hobbs, NM 88241

Re: Joell 6 #2

Enclosed are the results of analyses for sample number H19700, received by the laboratory on 04/19/10 at 1:56 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though 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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

1 of 1

Company Name: DEVON ENERGY		BILL TO		ANALYSIS REQUEST											
Project Manager: CINDY CRAIG		P.O. #:													
Address: 2125 FRENCH DRIVE, P.O. Box 1816		Company: Ocotillo													
City: Hobbs State: NM Zip: 88240		Attn:													
Phone #: 575-441-7244 Fax #:		Address:													
Project #:		Project Owner:													
Project Name: JOELL 6 - #2		City:													
Project Location: 3.2 MILES SOUTH OF CARLSBAD, NM		State: Zip:													
Sampler Name: D. GREEN		Phone #:													
		Fax #:													

FOR LAB USE ONLY		(G)RAB OR (C)OMP. # CONTAINERS	MATRIX					PRESERV.			SAMPLING		CL
Lab I.D.	Sample I.D.		GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE:	ICE / COOL	OTHER:	DATE	
H19700-1		C 1			✓	✓			✓	✓	4/19/10	11:30	✓
H19600-1	SP-comp. - B	C 1			✓	✓			✓	✓	"	"	✓
	SP-comp. - C	C 1			✓	✓			✓	✓	"	"	✓
	SW-C-comp.	C 1			✓	✓			✓	✓	"	"	✓

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: Don Green	Date: 4/19/10	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: 13:56		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By: Whitaker	REMARKS: Call Don 441-0405 w/ results	
	Time:			
Delivered By: (Circle One)	Sampler - UPS - Bus - Other:	Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: (Initials) CGH	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26



**ARDINAL
LABORATORIES**

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

April 9, 2010

Cindy Crain
Devon Energy
P.O. Box 1816
Hobbs, NM 88241

Re: Joell 6 #2

Enclosed are the results of analyses for sample number H19614, received by the laboratory on 04/07/10 at 4:11 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

C141 DOCUMENTATION

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

RECEIVED
JAN 22 2010
NMOCD ARTESIA

Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

30-015-33292

Release Notification and Corrective Action

NMLB/1004242112

OPERATOR Initial Report Final Report

Name of Company Devon Energy 6137	Contact Shannon Moss, Foreman
Address 6488 Seven Rivers Hwy - P.O. Box 250	Telephone No. 575-748-5232
Facility Name Joell 6 #2	Facility Type

Surface Owner	Mineral Owner	Lease No.
---------------	---------------	-----------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	6	23S	27E	1530	FNL	1130	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 33 bbls	Volume Recovered 0
Source of Release Oil	Date and Hour of Occurrence 2 bbls	Date and Hour of Discovery 0
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? OCD & BLM	
By Whom? Shannon Moss, Foreman	Date and Hour 01/16/2010 - 3:00 pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* Circulating valve on the back of the water tank had frozen and ruptured.		
Describe Area Affected and Cleanup Action Taken.* Operator made sure all valves dumping to this tank were shut and re-routed to another tank.		

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

Signature: Mykol Horner	OIL CONSERVATION DIVISION	
Printed Name: Mykol Horner	Approved by District Supervisor Signed By <i>[Signature]</i>	
Title: Field Tech 1	Approval Date: FEB 11 2010	Expiration Date:
E-mail Address: mykol.horner@dvn.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: January 20, 2010 Phone: 575-748-0160	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 3/11/10	

* Attach Additional Sheets If Necessary

NMLB/1004245510

2RP-386