



# AE Order Number Banner

## Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



**App Number:** pGRL0902035612

**1RP - 2053**

**CML EXPLORATION, LLC**

# R. T. HICKS CONSULTANTS, LTD.

901 Rio Grande Blvd NW ▲ Suite F-142 ▲ Albuquerque, NM 87104 ▲ 505.266.5004 ▲ Fax: 505.266-0745

December 16, 2009

Larry Johnson  
Oil Conservation Division  
1625 N. French Drive  
Hobbs, NM 88240  
Via Email and FedEx

**RECEIVED**

DEC 17 2009

**HOBBSOCD**

RE: CML Exploration, Paddy 19 State #3, Unit F, Section 19, T17S, R33E  
API #:30-025-38591

Dear Larry,

We installed the remedy described in the July 20, 2009 Corrective Action Plan. The excavation was closed according to the plan described, including liners on the north side and a monitoring well installed to the south of the excavation (on July 30). Ground water was encountered approximately 77 feet below ground surface and our tests indicate the well is capable of producing about 1.5 gallons per minute. The table below presents results of ground water sampling and analysis at the site.

Table 1. Results of Ground Water Sampling at MW-1 at Paddy 19 #3

Date Sampled	Chloride	TDS
	(mg/L)	
8/5/2009	1,160	2,490
8/27/2009	1,500	2,560
11/2/2009	3,680	7,600

In the coming weeks, we plan to extract water from the well for a dual purpose:

1. Remove salt mass from the aquifer – at approximately 2,000 gallons per day over the course of 20 days we will pump out 40,000 gallons of water.
2. Use extracted water for use in drilling a new well.

We estimate this program will remove a little over 1,200 lbs. of chloride from the aquifer, based on the water quality observed in the November 2<sup>nd</sup> sampling event. We will contact the office of the state engineer regarding this planned extraction and make sure we're copasetic with their requirements.

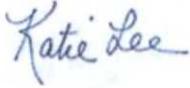
In addition, we plan to monitor this well 1-2 additional quarters to confirm ground water quality data while considering the best response to observed impact. Perhaps the combined effect of chloride extraction through pumping and dilution and dispersion will resolve ground water quality impact in a few months time. The well log and laboratory sheets are attached.

December 16, 2009

Page 2

If you have questions, please contact me at 505-266-5004 or Mr. Nolan von Roeder of CML Exploration, LLC.

Sincerely,  
R.T. Hicks Consultants, Ltd.

A handwritten signature in blue ink that reads "Katie Lee". The signature is written in a cursive style with a large initial 'K' and a long, sweeping underline.

Katie Lee  
Project Scientist

Copy: CML Exploration, Nolan von Roeder  
NMOCD Santa Fe, Edward J. Hansen

# RT Hicks Consultants Ltd

P O Box 7624  
Midland, Texas 79708  
(432) 528-3878  
(432) 689-4578 (fax)

## LITHOLOGIC LOG (Monitoring Well)

SOIL BORING NO.: MW-1 TOTAL DEPTH: 100 Feet  
 SITE ID: Paddy 19 State #3 CLIENT: CML Exploration  
 SURFACE ELEVATION: 4,091 (USGS) COUNTY: Lea County  
 CONTRACTOR: Harrison Cooper STATE: New Mexico  
 DRILLING METHOD: Air-Rotary LOCATION: T17-S R33-E Sec 19  
 INSTALLATION DATE: 7/30/09 FIELD REP: D. Littlejohn  
 WELL PLACEMENT: 30' South of Res. Pit FILE NAME: \CML\Paddy 19  
 BORING LAT /LONG: Lat. 32° 49' 16.9" North, Long. 103° 42' 20.2"

CMT	Lithology	Sample Data			Depth (feet)	Lithologic Description: LITHOLOGY, Color, grain size, sorting, rounding, special features
		Type	Photo	Cl (mg/kg)		
						SILTY SAND Reddish brown with some caliche from pad.
		Cutting		52	--	CALICHE AND SAND Light brown to light reddish brown, solid caliche layers at 4 to 6 feet and 18 to 20 feet, fine grain well sorted angular sand.
		Cutting		53	--	
		Cutting		142	--	SAND Reddish brown, with some caliche, fine to medium grain, poorly sorted, sub-angular sand.
		Cutting		92	--	
		Cutting		50	--	SAND Reddish brown, with some caliche, fine to medium grain, well sorted, sub-angular sand.
		Cutting		54	--	SAND Reddish brown, medium grain, well sorted, sub-rounded.
		Cutting		71	--	
		Cutting		76	--	Saturated Formation from approximately 75 to 80 feet
		Cutting		78	--	
		Cutting		108	--	SILTY CLAY Dark purple, dry (red beds).

TD = 100 Feet

Laboratory Results for Soil (8-11-09)		
Depth (feet)	Chloride (mg/kg)	TDS (mg/kg)
30	106	--
80	<5.27	--

# Analytical Report 350774

for

**R.T. Hicks Consultants, LTD**

**Project Manager: Dale Littlejohn**

**CML Exploration: Paddy-19 State # 3**

**L-157-1109**

**09-NOV-09**



**12600 West I-20 East Odessa, Texas 79765**

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)  
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)  
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)  
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87428), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)  
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),

South Carolina(96031001), Louisiana(04154), Georgia(917)



09-NOV-09

Project Manager: **Dale Littlejohn**  
**R.T. Hicks Consultants, LTD**  
901 Rio Grande Blvd. NW, Suite F-142  
Albuquerque, NM 87104

Reference: XENCO Report No: **350774**  
**CML Exploration: Paddy-19 State # 3**  
Project Address: Lea County, NM

**Dale Littlejohn:**

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 350774. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 350774 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

**Brent Barron, II**

Odessa Laboratory Manager

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**Sample Cross Reference 350774**



**R.T. Hicks Consultants, LTD, Albuquerque, NM**  
CML Exploration: Paddy-19 State # 3

<b>Sample Id</b>	<b>Matrix</b>	<b>Date Collected</b>	<b>Sample Depth</b>	<b>Lab Sample Id</b>
MW-1	W	Nov-02-09 12:10		350774-001



## CASE NARRATIVE

*Client Name: R.T. Hicks Consultants, LTD*

*Project Name: CML Exploration: Paddy-19 State # 3*

*Project ID: L-157-1109*  
*Work Order Number: 350774*

*Report Date: 09-NOV-09*  
*Date Received: 11/03/2009*

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**Sample receipt non conformances and Comments:**

None

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**Sample receipt Non Conformances and Comments per Sample:**

None

**Analytical Non Conformances and Comments:**

*Batch: LBA-780328 Inorganic Anions by EPA 300*  
None

*Batch: LBA-780417 TDS by SM2540C*  
None



# Certificate of Analysis Summary 350774

R.T. Hicks Consultants, LTD, Albuquerque, NM

Project Name: CML Exploration: Paddy-19 State # 3



Project Id: L-157-1109

Contact: Dale Littlejohn

Project Location: Lea County, NM

Date Received in Lab: Tue Nov-03-09 04:03 pm

Report Date: 09-NOV-09

Project Manager: Brent Barron, II

<i>Analysis Requested</i>	<i>Lab Id:</i>	350774-001				
	<i>Field Id:</i>	MW-1				
	<i>Depth:</i>					
	<i>Matrix:</i>	WATER				
	<i>Sampled:</i>	Nov-02-09 12:10				
<b>Anions by E300</b>	<i>Extracted:</i>					
	<i>Analyzed:</i>	Nov-04-09 22:36				
	<i>Units/RL:</i>	mg/L      RL				
Chloride		3680    50.0				
<b>TDS by SM2540C</b>	<i>Extracted:</i>					
	<i>Analyzed:</i>	Nov-04-09 15:42				
	<i>Units/RL:</i>	mg/L      RL				
Total dissolved solids		7600    5.00				

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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Brent Barron, II  
Odessa Laboratory Manager

## Flagging Criteria

- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration. This condition could also effect the relative percent difference in the MS/MSD.
- B** A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E** The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F** RPD exceeded lab control limits.
- J** The target analyte was positively identified below the MQL and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

**BRL** Below Reporting Limit.

**RL** Reporting Limit

\* Outside XENCO's scope of NELAC Accreditation.

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	Phone	Fax
4143 Greenbriar Dr, Stafford, Tx 77477	(281) 240-4200	(281) 240-4280
9701 Harry Hines Blvd , Dallas, TX 75220	(214) 902 0300	(214) 351-9139
5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
2505 North Falkenburg Rd, Tampa, FL 33619	(813) 620-2000	(813) 620-2033
5757 NW 158th St, Miami Lakes, FL 33014	(305) 823-8500	(305) 823-8555
12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
842 Cantwell Lane, Corpus Christi, TX 78408	(361) 884-0371	(361) 884-9116



# Blank Spike Recovery



Project Name: CML Exploration: Paddy-19 State # 3

Work Order #: 350774

Project ID:

L-157-1109

Lab Batch #: 780328

Sample: 780328-1-BKS

Matrix: Water

Date Analyzed: 11/04/2009

Date Prepared: 11/04/2009

Analyst: LATCOR

Reporting Units: mg/L

Batch #: 1

## BLANK /BLANK SPIKE RECOVERY STUDY

Anions by E300 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10.0	10.5	105	90-110	

Blank Spike Recovery [D] = 100\*[C]/[B]

All results are based on MDL and validated for QC purposes.

BRL - Below Reporting Limit



# BS / BSD Recoveries



**Project Name: CML Exploration: Paddy-19 State # 3**

**Work Order #: 350774**

**Analyst: WRU**

**Lab Batch ID: 780417**

**Units: mg/L**

**Sample: 780417-1-BKS**

**Date Prepared: 11/04/2009**

**Batch #: 1**

**Project ID: L-157-1109**

**Date Analyzed: 11/04/2009**

**Matrix: Water**

## BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TDS by SM2540C	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
<b>Analytes</b>											
Total dissolved solids	ND	1000	900	90	1000	914	91	2	80-120	30	

Relative Percent Difference RPD =  $200 * (C-F) / (C+F)$

Blank Spike Recovery [D] =  $100 * (C) / [B]$

Blank Spike Duplicate Recovery [G] =  $100 * (F) / [E]$

All results are based on MDL and Validated for QC Purposes



# Form 3 - MS Recoveries



Project Name: CML Exploration: Paddy-19 State # 3

Work Order #: 350774  
Lab Batch #: 780328  
Date Analyzed: 11/04/2009  
QC- Sample ID: 350773-001 S  
Reporting Units: mg/L

Date Prepared: 11/04/2009

Project ID: L-157-1109  
Analyst: LATCOR

Batch #: 1

Matrix: Water

## MATRIX / MATRIX SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Analytes						
Chloride	82.5	100	183	101	90-110	

Matrix Spike Percent Recovery [D] =  $100 \cdot (C-A)/B$   
Relative Percent Difference [E] =  $200 \cdot (C-A)/(C+B)$   
All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit



# Sample Duplicate Recovery



Project Name: CML Exploration: Paddy-19 State # 3

Work Order #: 350774

Lab Batch #: 780328

Project ID: L-157-1109

Date Analyzed: 11/04/2009

Date Prepared: 11/04/2009

Analyst: LATCOR

QC- Sample ID: 350773-001 D

Batch #: 1

Matrix: Water

Reporting Units: mg/L

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Anions by E300	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	82.5	75.7	9	20	

Lab Batch #: 780417

Date Prepared: 11/04/2009

Analyst: WRU

Date Analyzed: 11/04/2009

QC- Sample ID: 350773-001 D

Batch #: 1

Matrix: Water

Reporting Units: mg/L

SAMPLE / SAMPLE DUPLICATE RECOVERY					
TDS by SM2540C	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Total dissolved solids	540	584	8	30	

Spike Relative Difference RPD  $200 * |(B-A)/(B+A)|$   
 All Results are based on MDL and validated for QC purposes.  
 BRL - Below Reporting Limit



## Environmental Lab of Texas

### Variance/ Corrective Action Report- Sample Log-In

Client: R.T. Hicks  
 Date/ Time: 11.3.09 16:03  
 Lab ID #: 350774  
 Initials: AL

#### Sample Receipt Checklist

				Client Initials
#1 Temperature of container/ cooler?	(Yes)	No	.1 °C	
#2 Shipping container in good condition?	(Yes)	No		
#3 Custody Seals intact on shipping container/ cooler?	Yes	No	(Not Present)	
#4 Custody Seals intact on sample bottles/ container?	Yes	No	(Not Present)	
#5 Chain of Custody present?	(Yes)	No		
#6 Sample instructions complete of Chain of Custody?	(Yes)	No		
#7 Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8 Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont./ Lid	
#9 Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11 Containers supplied by ELOT?	(Yes)	No		
#12 Samples in proper container/ bottle?	(Yes)	No	See Below	
#13 Samples properly preserved?	(Yes)	No	See Below	
#14 Sample bottles intact?	(Yes)	No		
#15 Preservations documented on Chain of Custody?	(Yes)	No		
#16 Containers documented on Chain of Custody?	(Yes)	No		
#17 Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18 All samples received within sufficient hold time?	(Yes)	No	See Below	
#19 Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20 VOC samples have zero headspace?	Yes	No	(Not Applicable)	

#### Variance Documentation

Contact: \_\_\_\_\_ Contacted by: \_\_\_\_\_ Date/ Time: \_\_\_\_\_

Regarding: \_\_\_\_\_

Corrective Action Taken: \_\_\_\_\_

- Check all that Apply:
- See attached e-mail/ fax
  - Client understands and would like to proceed with analysis
  - Cooling process had begun shortly after sampling event