

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

OCT 21 2010

Form C-141

Revised October 10, 2003

HOBBSON

Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Southern Union Gas Services, Ltd.	Contact	Rose Slade
Address	P.O. Box 1226 Jal, N.M. 88252	Telephone No.	432-940-5147
Facility Name	Shepard #4	Facility Type	Natural Gas Gathering

Surface Owner: Jay Anthony	Mineral Owner: State of New Mexico	API No. 30-025-38822
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LOCATION OF RELEASE

Unit Letter P	Section 36	Township 25S	Range 36E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude N32 4.917 Longitude W103 12.658

NATURE OF RELEASE

Type of Release : Natural Gas	Volume of Release: Unknown	Volume Recovered None
Source of Release : 4" Natural Gas Pipeline	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 7/22/04 Time: 8:30 a.m.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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.*

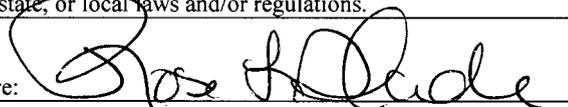
Describe Cause of Problem and Remedial Action Taken.*

A 4-inch natural gas pipeline had a release prior to the Southern Union Gas Services acquisition. The pipeline has been idle for approximately 5 years, the release areas were impacted several years prior to placing the line out of service.

The impacted areas were identified by the landowner and the worse case site was photographed and sampled in July 2004.

Describe Area Affected and Cleanup Action Taken. An area measuring approximately 440 square feet had a dry grey to white discoloration. The discolored soil was excavated to a depth sufficient to restore the root bearing zone. Please reference closure request documents dated October 13, 2010 for remediation details.

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: 	OIL CONSERVATION DIVISION <i>Rose L. Slade</i>	
Printed Name: Rose L. Slade	Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: EHS Compliance Specialist	Approval Date: 10-21-10	Expiration Date: —
E-mail Address: rose.slade@sug.com	Conditions of Approval:	
Date: 10/13/2010 Phone: 432-940-5147	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

PC0H08144 39374

IRP-1866



1507 W. 15th
Monahans, Texas 79756
432.943.1100 Fax: 432.943.1101

October 13, 2010

RECEIVED

OCT 21 2010

HOBBSOCD

Mr. Larry Johnson
New Mexico Oil Conservation Division
Hobbs District Office
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Shepard #4 (1RP-1866)

Mr. Johnson,

On June 10, 2008, Ocotillo Environmental, LLC (Ocotillo), on behalf of Southern Union Gas Services (SUG) completed the delineation and remediation of a historical release occurring on a four (4) inch natural gas pipeline. The release was located in Unit Letter "P", Section 36, Township 25 South and Range 36 East in rural Lea County, New Mexico. The release GPS coordinates were 32° 04.917' N, 103° 12.658' W and the property is owned by Mr. Jay Anthony. A site location map is attached for your reference. The release was discovered by the landowner on July 22, 2004, occurring on a natural gas pipeline which had been idle for several years prior to the discovery of the release. The volume of the release is unknown, with no recovery. On May 23, 2008, an initial C-141 was prepared and submitted to the New Mexico Oil Conservation Division (NMOCD) for approval. The initial C-141 is attached for your reference.

A water well is located approximately 3,247 feet north (up gradient) of the release. Available data indicates groundwater was encountered at approximately 186 feet below ground surface (bgs). The nearest water course is approximately 3.47 miles to the west of the release. Based on the NMOCD ranking classification, the release site score is zero (0). A release site with a ranking score of zero (0) requires the following NMOCD cleanup levels:

Benzene: 10 mg/Kg
BTEX : 50 mg/Kg
TPH: 5,000 mg/Kg
Chloride: 250 mg/Kg

On May 30, 2008, excavation of the release began; impacted soil was stockpiled adjacent to the release, pending transportation to the SUG Landfarm (NM2-19-0). The final dimensions of excavation were approximately twenty (20) feet in width by twenty-two (22) feet in length and five (5) feet bgs. On May 30, 2008, following the excavation activities, two (2) soil

samples (P.R. @ 5' and B-Comp) were collected and submitted to the laboratory. A site map is attached and depicts the locations of the collected soil samples. The soil samples were analyzed for concentrations of total petroleum hydrocarbons (TPH) using EPA Method SW-846 8015M and chloride using EPA 300.1. The analytical results indicated chloride concentrations ranged from less than 10.3 mg/Kg in soil sample B-Comp to 27.8 mg/Kg in soil sample P.R. @ 5'. Total petroleum hydrocarbons were less than the laboratory method detection limit (MDL) for both soil samples. Soil sample P.R. @ 5' was analyzed for concentrations of benzene, toluene, ethyl benzene and xylene (BTEX) using EPA Method 8021b. The analytical results indicate benzene and BTEX concentrations were less than the appropriate laboratory MDL. Concentrations of Benzene, BTEX, TPH and Chloride are summarized on the attached table. The laboratory analytical reports are attached for your reference.

Following the collection of the soil samples, the excavation was backfilled with non-impacted soil purchased from the landowner. The backfilled soil was contoured to fit the surrounding topography. Approximately seventy-six (76) cubic yards (cy) of excavated soil was transported to the SUG Landfarm.

Based on the analytical results, Southern Union Gas Services requests NMOCD Site Closure for the Shepard #4 release. Attached to this letter are: photographs, laboratory analytical reports, a site location map, a site map and the Initial and Final C-141.

TABLE 1

CONCENTRATIONS OF BENZENE, BTEX, TPH AND CHLORIDE IN SOIL
 SOUTHERN UNION GAS SERVICES
 SHEPARD #4
 LEA COUNTY, NEW MEXICO

SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	SOIL STATUS	METHOD: EPA SW 846-8021B, 5030						METHOD: 8015M				METHOD: E300
				BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL-BENZENE (mg/Kg)	M.P. - XYLENES (mg/Kg)	O-XYLENE (mg/Kg)	TOTAL BTEX (mg/Kg)	GRO C ₆ -C ₁₂ (mg/Kg)	DRO C ₁₂ -C ₂₈ (mg/Kg)	ORO C ₂₈ -C ₃₅ (mg/Kg)	TOTAL TPH C6-C35 (mg/Kg)	CHLORIDE (mg/Kg)
P.R. @ 5'	5 ft bgs	05/30/08	In-Situ	<0.0010	<0.0021	<0.0010	<0.0021	<0.0010	<0.0021	<15.6	<15.6	<15.6	<15.6	27.8
B-Comp	3 - 5 ft bgs	05/30/08	In-Situ	-	-	-	-	-	-	<15.5	<15.5	<15.5	<15.5	<10.3



Photo 1



Photo 2

Southern Union Gas Services Site: Sheperd #4
Job # 2008-012
Site Assessment 5/5/08

Analytical Report 304893

for

Southern Union Gas Services-Jal

Project Manager: Tony Savoie

Sheperd # 4 - 4"

2008-012

04-JUN-08



12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

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04-JUN-08

Project Manager: **Tony Savoie**
Southern Union Gas Services-Jal
610 Commerce
Jal, NM 88252

Reference: XENCO Report No: **304893**
Sheperd # 4 - 4"
Project Address: J. Anthony Ranch

Tony Savoie:

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 304893. 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. 304893 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 304893



Southern Union Gas Services-Jal, Jal, NM

Sheperd # 4 - 4"

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
P.R. @ 5'	S	May-30-08 10:30	5 ft	304893-001
B-Comp.	S	May-30-08 10:30	3 - 5 ft	304893-002



Certificate of Analysis Summary 304893

Southern Union Gas Services-Jal, Jal, NM

Project Name: Sheperd # 4 - 4"

Project Id: 2008-012

Contact: Tony Savoie

Project Location: J. Anthony Ranch

Date Received in Lab: Fri May-30-08 02:37 pm

Report Date: 04-JUN-08

Project Manager: Brent Barron, II

<i>Analysis Requested</i>	<i>Lab Id:</i>	304893-001	304893-002				
	<i>Field Id:</i>	P.R. @ 5'	B-Comp.				
	<i>Depth:</i>	5 ft	3-5 ft				
	<i>Matrix:</i>	SOIL	SOIL				
	<i>Sampled:</i>	May-30-08 10:30	May-30-08 10:30				
BTEX by EPA 8021B	<i>Extracted:</i>	Jun-02-08 10:18					
	<i>Analyzed:</i>	Jun-02-08 22:01					
	<i>Units/RL:</i>	mg/kg RL					
Benzene		ND 0.0010					
Toluene		ND 0.0021					
Ethylbenzene		ND 0.0010					
m,p-Xylenes		ND 0.0021					
o-Xylene		ND 0.0010					
Total Xylenes		ND					
Total BTEX		ND					
Inorganic Anions by EPA 300	<i>Extracted:</i>						
	<i>Analyzed:</i>	Jun-03-08 16:51	Jun-03-08 16:51				
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL				
Chloride		27.8 10.4	ND 10.3				
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	May-30-08 17:00	May-30-08 17:00				
	<i>Units/RL:</i>	% RL	% RL				
Percent Moisture		3.85	2.99				
TPH by SW8015 Mod	<i>Extracted:</i>	Jun-02-08 13:13	Jun-04-08 08:50				
	<i>Analyzed:</i>	Jun-02-08 19:03	Jun-04-08 11:08				
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL				
C6-C12 Gasoline Range Hydrocarbons		ND 15.6	ND 15.5				
C12-C28 Diesel Range Hydrocarbons		ND 15.6	ND 15.5				
C28-C35 Oil Range Hydrocarbons		ND 15.6	ND 15.5				
Total TPH		ND	ND				

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
 Odessa Laboratory Director



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(PQL) and above the SQL(MDL).
 - 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.
- * Outside XENCO'S scope of NELAC Accreditation

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(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555
(770) 449-8800	(770) 449-5477



Form 2 - Surrogate Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch #: 724258

Sample: 304893-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0344	0.0300	115	80-120	
4-Bromofluorobenzene	0.0314	0.0300	105	80-120	

Lab Batch #: 724258

Sample: 509968-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0254	0.0300	85	80-120	
4-Bromofluorobenzene	0.0277	0.0300	92	80-120	

Lab Batch #: 724258

Sample: 509968-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0353	0.0300	118	80-120	
4-Bromofluorobenzene	0.0305	0.0300	102	80-120	

Lab Batch #: 724258

Sample: 509968-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0286	0.0300	95	80-120	
4-Bromofluorobenzene	0.0316	0.0300	105	80-120	

Lab Batch #: 724249

Sample: 304885-002 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY					
TPH by SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	109	100	109	70-135	
o-Terphenyl	53.1	50.0	106	70-135	

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch #: 724249

Sample: 304885-002 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	108	100	108	70-135	
o-Terphenyl	52.7	50.0	105	70-135	

Lab Batch #: 724249

Sample: 304893-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	103	100	103	70-135	
o-Terphenyl	57.6	50.0	115	70-135	

Lab Batch #: 724249

Sample: 509959-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	52.2	50.0	104	70-135	

Lab Batch #: 724249

Sample: 509959-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	93.7	100	94	70-135	
o-Terphenyl	55.5	50.0	111	70-135	

Lab Batch #: 724249

Sample: 509959-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	52.3	50.0	105	70-135	

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch #: 724396

Sample: 304893-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	88.1	100	88	70-135	
o-Terphenyl	48.8	50.0	98	70-135	

Lab Batch #: 724396

Sample: 304893-002 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	98.8	100	99	70-135	
o-Terphenyl	52.8	50.0	106	70-135	

Lab Batch #: 724396

Sample: 304893-002 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	95.8	100	96	70-135	
o-Terphenyl	53.4	50.0	107	70-135	

Lab Batch #: 724396

Sample: 510047-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.5	100	88	70-135	
o-Terphenyl	46.9	50.0	94	70-135	

Lab Batch #: 724396

Sample: 510047-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	91.1	100	91	70-135	
o-Terphenyl	49.9	50.0	100	70-135	

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch #: 724396

Sample: 510047-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

SURROGATE RECOVERY STUDY					
TPH by SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.2	100	87	70-135	
o-Terphenyl	46.8	50.0	94	70-135	

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Blank Spike Recovery



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID:

2008-012

Lab Batch #: 724234

Sample: 724234-1-BKS

Matrix: Solid

Date Analyzed: 06/03/2008

Date Prepared: 06/03/2008

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10.0	9.85	99	75-125	

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

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



BS / BSD Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Analyst: SHE

Lab Batch ID: 724258

Units: mg/kg

Sample: 509968-1-BKS

Date Prepared: 06/02/2008

Batch #: 1

Project ID: 2008-012

Date Analyzed: 06/02/2008

Matrix: Solid

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

BTEX by EPA 8021B	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
Analytes											
Benzene	ND	0.1000	0.1032	103	0.1	0.1015	102	2	70-130	35	
Toluene	ND	0.1000	0.1044	104	0.1	0.1028	103	2	70-130	35	
Ethylbenzene	ND	0.1000	0.1129	113	0.1	0.1114	111	1	71-129	35	
m,p-Xylenes	ND	0.2000	0.2302	115	0.2	0.2273	114	1	70-135	35	
o-Xylene	ND	0.1000	0.1135	114	0.1	0.1124	112	1	71-133	35	

Analyst: ASA

Date Prepared: 06/02/2008

Date Analyzed: 06/02/2008

Lab Batch ID: 724249

Sample: 509959-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH by SW8015 Mod	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
Analytes											
C6-C12 Gasoline Range Hydrocarbons	ND	1000	1020	102	1000	1020	102	0	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	985	99	1000	990	99	1	70-135	35	

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



BS / BSD Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Analyst: ASA

Lab Batch ID: 724396

Units: mg/kg

Sample: 510047-1-BKS

Date Prepared: 06/04/2008

Batch #: 1

Project ID: 2008-012

Date Analyzed: 06/04/2008

Matrix: Solid

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH by SW8015 Mod	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
Analytes											
C6-C12 Gasoline Range Hydrocarbons	ND	1000	917	92	1000	921	92	0	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	902	90	1000	919	92	2	70-135	35	

Relative Percent Difference RPD = $200 * [(D-F)/(D+F)]$

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: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch #: 724234

Date Prepared: 06/03/2008

Analyst: LATCOR

Date Analyzed: 06/03/2008

Batch #: 1

Matrix: Soil

QC- Sample ID: 304822-001 S

Reporting Units: mg/kg

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	1390	422	1720	78	75-125	

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



Form 3 - MS / MSD Recoveries



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Project ID: 2008-012

Lab Batch ID: 724249

QC- Sample ID: 304885-002 S

Batch #: 1 Matrix: Soil

Date Analyzed: 06/02/2008

Date Prepared: 06/02/2008

Analyst: ASA

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY											
TPH by SW8015 Mod Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
C6-C12 Gasoline Range Hydrocarbons	ND	1030	1050	102	1030	1060	103	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1030	1050	102	1030	1060	103	1	70-135	35	

Lab Batch ID: 724396

QC- Sample ID: 304893-002 S

Batch #: 1 Matrix: Soil

Date Analyzed: 06/04/2008

Date Prepared: 06/04/2008

Analyst: ASA

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY											
TPH by SW8015 Mod Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
C6-C12 Gasoline Range Hydrocarbons	ND	1030	888	86	1030	876	85	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1030	892	87	1030	886	86	1	70-135	35	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
Relative Percent Difference RPD = 200*(D-G)/(D+G)

Matrix Spike Duplicate Percent Recovery [G] = 100*(F-A)/E

ND = Not Detected, J = Present Below Reporting Limit, B = Present in Blank, NR = Not Requested, I = Interference, NA = Not Applicable
N = See Narrative, EQL = Estimated Quantitation Limit



Sample Duplicate Recovery



Project Name: Sheperd # 4 - 4"

Work Order #: 304893

Lab Batch #: 724234

Project ID: 2008-012

Date Analyzed: 06/03/2008

Date Prepared: 06/03/2008

Analyst: LATCOR

QC- Sample ID: 304822-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY

Inorganic Anions by EPA 300	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	1390	1330	4	20	

Lab Batch #: 724065

Date Analyzed: 05/30/2008

Date Prepared: 05/30/2008

Analyst: JLG

QC- Sample ID: 304811-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY

Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	1.83	2.17	17	20	

Spike Relative Difference RPD $200 * |(B-A)/(B+A)|$

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

Environmental Lab of Texas
 Variance/ Corrective Action Report- Sample Log-In

Client: O.U.G.S.
 Date/ Time: 5-30-08 14:37
 Lab ID #: 304893
 Initials: AL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	Yes	No	1.0 °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

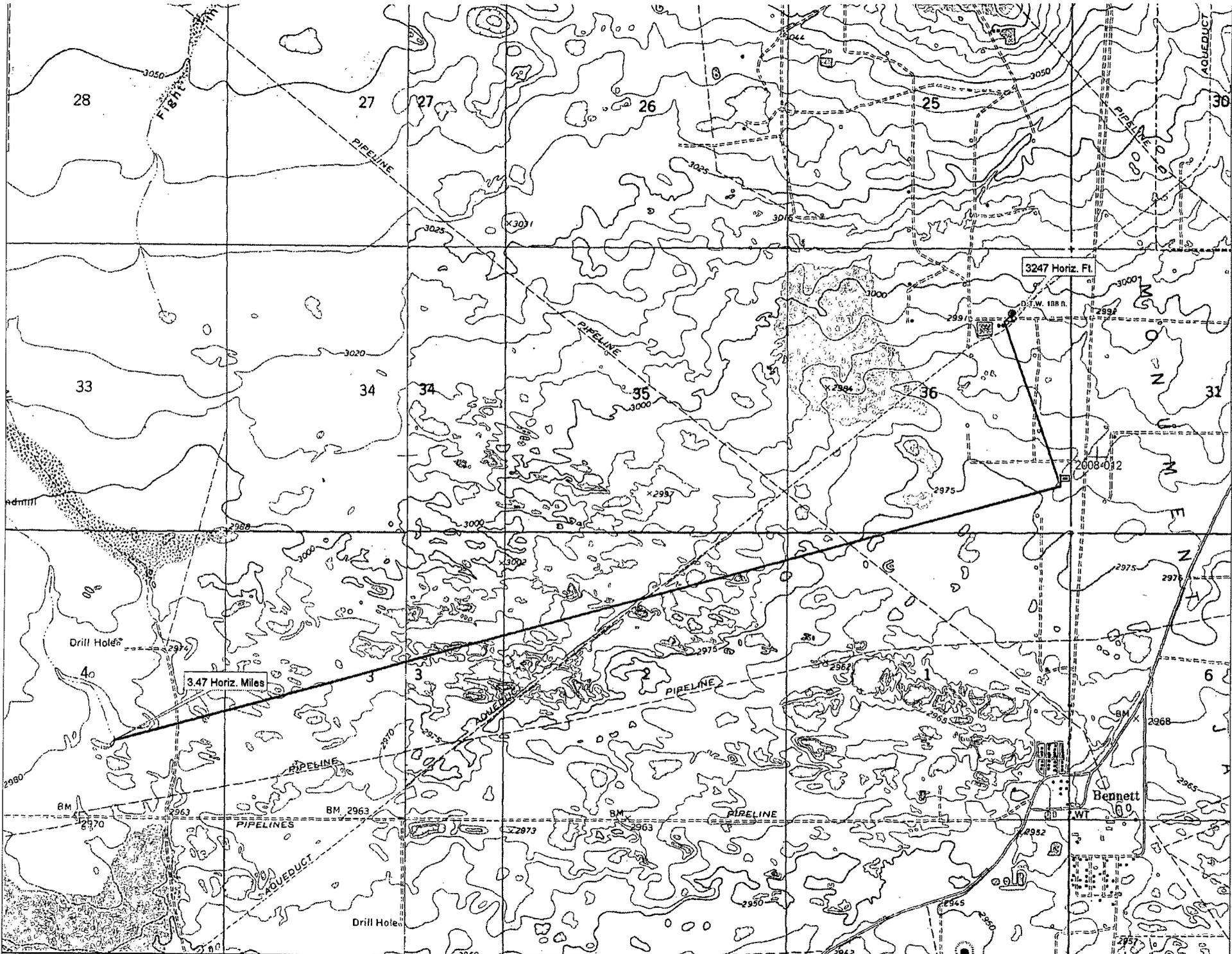
Variance Documentation

Contact: _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

Corrective Action Taken: _____

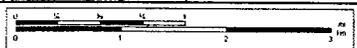
- Check all that Apply:
- See attached e-mail/ fax
 - Client understands and would like to proceed with analysis
 - Cooling process had begun shortly after sampling event

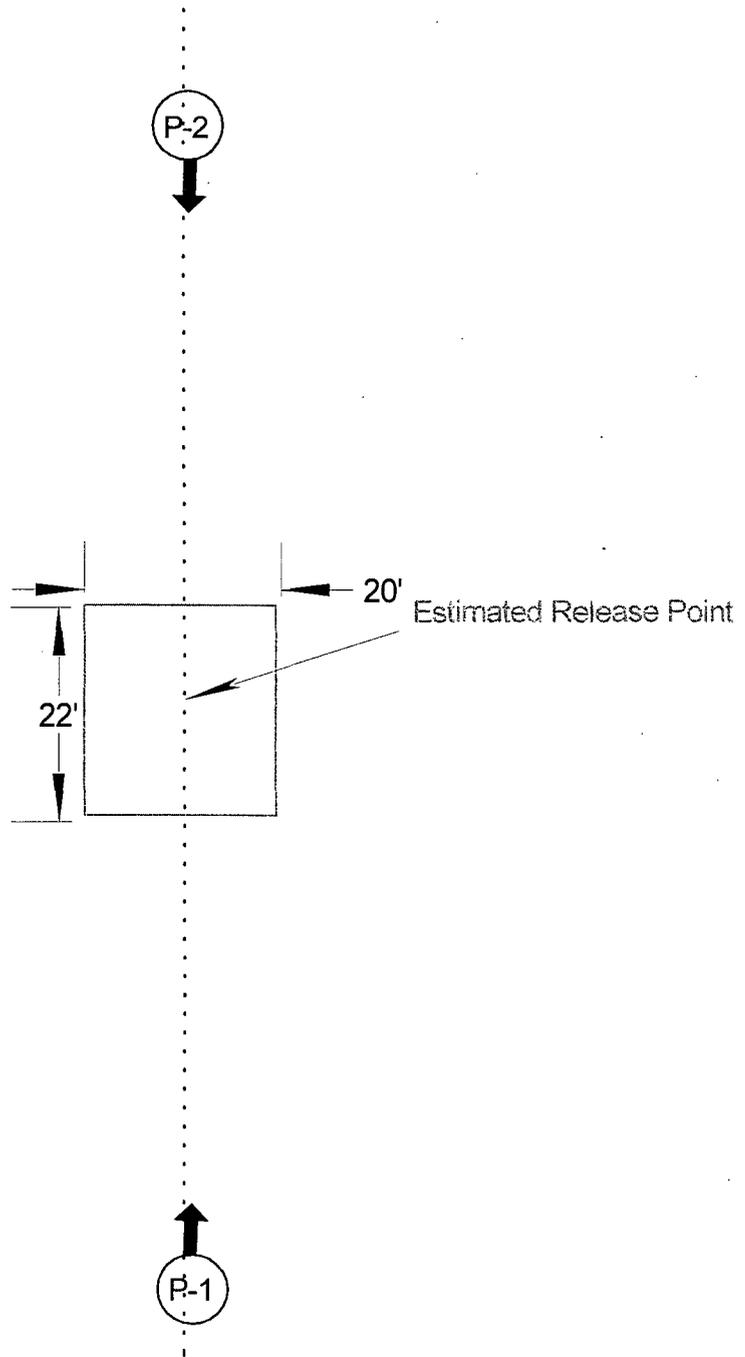


3.47 Horiz. Miles



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Approximate
Scale 1"= 20'

Unit ltr."P"
Section 36
Twns.-25 S
Range 36E
County-Lea, N.M.
GPS
Lat- 32-04.917N
Long-103-12.658W



Site Plan-Sheperd #4

Lea County Area Jal, N.M.

2008-012

Figure 1

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

**Release Notification and Corrective Action
OPERATOR**

Initial Report Final Report

Name of Company	Southern Union Gas Services, Ltd.	Contact	Tony Savoie
Address	P.O. Box 1226 Jal, N.M. 88252	Telephone No.	575-395-2116
Facility Name	Lea County Field Dept.	Facility Type	Natural Gas Gathering

Surface Owner: Jay Anthony	Mineral Owner: State of New Mexico	Lease No.
----------------------------	------------------------------------	-----------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	36	25S	36E					Lea

Latitude N32 4.917 Longitude W103 12.658

NATURE OF RELEASE

Type of Release : Natural Gas	Volume of Release: Unknown	Volume Recovered None
Source of Release : 4" Natural Gas Pipeline	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 7/22/04 Time: 8:30 a.m.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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.*

A 4" Natural gas pipeline leaked prior to Southern Union Gas Services operations. The pipeline has been idle for approximately 5 years, and the leak areas were there several years prior to taking the line out of service.

The leak areas were identified by the landowner and the worse case site was photographed and sampled in July 2004.

Describe Area Affected and Cleanup Action Taken. An area measuring approximately 440 sq. ft. has a dry grey to white discoloration. The discolored soil will be removed to a depth sufficient to restore a root bearing zone. All remediation activities will follow the NMOCD guidelines.

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: <i>Tony Savoie</i>	OIL CONSERVATION DIVISION	
Printed Name: John A. Savoie	Approved by District Supervisor: <i>John Johnson</i> ENVIRONMENTAL ENGINEER	
Title: Remediation Supervisor	Approval Date: 5-23-08	Expiration Date: 7-23-08
E-mail Address: tony.savoie@sug.com	Conditions of Approval:	Attached <input type="checkbox"/> 1 RP# 1866
Date: 5/22/08	Phone: 575-395-2116	

Attach Additional Sheets If Necessary

RECEIVED

MAY 23 2008

HOBBS OCD