

RECR – 15

State VC #1

CORRESPONDENCE

Request for Pricing

The following oil and gas wells have been plugged by the OCD. Before the locations can be released, they must be restored per OCD rules. The first phase of this process is the removal of junk, trash, flow lines, and other production equipment.

Bidders are requested to visit each location, provide a list of materials and equipment at each site, develop a specific scope of work for removal of some or all such materials and equipment, and prepare associated costs including discounts (see below). Scopes of work and costs must be separately provided for each individual wellsite, even if a number of plugged wells are in close proximity. Please refer to each location by its well name and API number.

This cost should include discounts for the value of usable equipment and materials, salvage metals, crude oil, and tank bottoms containing extractable oil.

All metals must be screened for NORM and dealt with accordingly.

Any materials not recycled, must be properly disposed at an approved landfill. Documentation of disposal will be required.

Anchors, deadmen, tie downs, and risers need to be cut off at least 2 feet below surface. This does not apply to the well marker.

Tank batteries, treaters, separators, etc. not in use need to be removed.

Portable bases need to be removed. Poured concrete bases do not have to be removed.

Fencing materials need to be removed unless they are protecting livestock from hazardous situations such as open holes or potentially contaminated soil and water.

Contaminated soils are NOT to be removed.

The ground surface is NOT to be contoured, tilled, graded, or seeded.

Contact each property owner or surface lessee prior to any entry onto the locations. The OCD will not pay or reimburse right of entry fees. If such a requirement is stipulated by owners or lease holders, please contact the OCD immediately.

Any damage to remaining fencing, cattleguards, excessive rutting of the ground (on- and off-road) by vehicle tires, or other damage incurred while working needs to be repaired at contractor expense.

All subcontractor and vendor costs must be included.

Please provide all quotes and direct questions to:

Jim Griswold
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3465
email: jim.griswold@state.nm.us

State VC #1

API 30-025-03035

State Trust land leased by Lee Cattle Co., LP. Contact Bill Lee 575-396-3027

ULSTR L-36-17S-35E

Latitude: 32.789460 Longitude: -103.417618

Plugging Date: 9/21/09

Directions: Beginning in Buckeye at the intersection of NM 238 and Buckeye Road. Travel east on Buckeye Road 4.5 miles to RD Lee Road and turn right (south). Travel south 0.6 miles and turn east on lease road. Travel east for 0.6 miles to location.





State of New Mexico Purchase Order

PO Number to be on all Invoices and Correspondence

Dispatch via Print

Energy, Minerals & Resources

1220 South St. Francis Drive
Santa Fe NM 87505
United States

Vendor: 0000091100
DM CLEANUP & DISPOSAL
1004 W 65TH ST
ODESSA TX 79764

Purchase Order 52100-000028564	Date 01/27/2011	Revision	Page 1
Payment Terms Pay Now	Freight Terms FOB Destination	Ship Via Best Way	
Buyer RACHEL D. HERRERA		Phone 505/476-3311	

Ship To: 1220 South St. Francis Drive
Room 346
Santa Fe NM 87501
United States

Bill To: 1220 South St. Francis Drive
Room 346
Santa Fe NM 87501
United States

Origin: DPO **Exc\Excl #:**

Line-Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
1- 1	Equipment salvage & trash cleanup of State VC #1- API # 30-025-03035 - well site.		1.00	EA	5,300.00	5,300.00	01/27/2011
	52100-31100-0710000000-535300- -0750- - -111-00000						
Schedule Total						<u>5,300.00</u>	
Item Total						<u>5,300.00</u>	
Total PO Amount						<u>5,300.00</u>	

Agency Approval - I certify that the proposed purchase represented by this document is authorized by and is made in accordance with all State (and if applicable Federal) legislation rules and regulation. I further certify that adequate unencumbered cash and budget expenditure authority exists for this proposed purchase and all other outstanding purchase commitments and accounts payable.

Authorized Signature

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT- PURCHASING DIVISION
TERMS AND CONDITIONS UNLESS OTHERWISE SPECIFIED

SPD-101A (07/92)

1. GENERAL: When the State Purchasing Agent issues a purchase document in response to the Vendors bid, a binding contract is created.
2. VARIATION IN QUANTITY: No variation in the quantity of any item called for by this order will be accepted unless such variation has been caused by conditions of loading, shipping, packing or allowances in manufacturing process, and then only to the extent, if any, specified elsewhere in this order.
3. ASSIGNMENT:
 - A: Neither the order, nor any interest therein, nor claim thereunder, shall be assigned or transferred by the Vendor, except as set forth in subparagraph 3B below or as expressly authorized in writing by the STATE PURCHASING AGENTS OFFICE. No such assignment or transfer shall relieve the Vendor from the obligations and liabilities under this order.
 - B: Vendor agrees that any and all claims for overcharge resulting from antitrust violations which are borne by the State as to goods, services, and materials purchased in connection with this bid are hereby assigned to the State.
4. STATE FURNISHED PROPERTY: State furnished property shall be returned to the state upon request in the same condition as received except for ordinary wear, tear, and modifications ordered hereunder.
5. DISCOUNTS: Prompt payment discounts will not be considered in computing the low bid. Discounts for payment within 20 days will be considered after the award of the contract. Discounted time will be computed from the date of receipt of the merchandise or invoice, whichever is later.
6. INSPECTION: Final inspection and acceptance will be made at the destination. Supplies rejected at the destination for non-conformance with specifications shall be removed, at the Vendors risk and expense, promptly after notice of rejection.
7. INSPECTION OF PLANT: The State Purchasing Agent may inspect, at any reasonable time, the part of the contractors, or any subcontractors plant or place of business, which is related to the performance of this contract.
8. COMMERCIAL WARRANTY: The Vendor agrees that the supplies or services furnished under this order shall be covered by the most favorable commercial warranties the Vendor gives to any customer for such supplies or services, and that the rights and remedies provided herein shall extend to the State and are in addition to and do not limit any rights afforded to the State by any other cause of this order. Vendor agrees not to disclaim warranties of fitness for a particular purpose or merchantability.
9. TAXES: The unit price shall exclude all State taxes.
10. PACKING, SHIPPING AND INVOICING:
 - A: The States purchase document number and the Vendors name, users name and location shall be shown on each packing and delivery ticket, package, bill of lading and other correspondence in connection with the shipment. The users count will be accepted by the Vendor as final and conclusive on all shipments not accompanied by a packing ticket.
 - B: The Vendors invoice shall be submitted in triplicate, duly certified and shall contain the following information: order number, description of supplies or services, quantities, unit prices and extended totals. Separate invoices shall be rendered for each and every complete shipment.
 - C: Invoices must be submitted to the using agency and NOT THE STATE PURCHASING AGENT.
11. DEFAULT: The State reserves the right to cancel all or any part of this order without cost to the State, if the Vendor fails to meet the provisions of this order and, except as otherwise provided herein, to hold the Vendor liable for any excess cost occasioned by the State due to the Vendors default. The Vendor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Vendor, such causes include, but are not restricted to, acts of God or of the public enemy, acts of the State or of the Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, unusually severe weather and defaults of subcontractors due to any of the above, unless the State shall determine that the supplies or services to be furnished by the subcontractor where obtainable from other sources in sufficient time to permit the Vendor to meet the required delivery scheduled. The rights and remedies of the State provided in this paragraph shall not be exclusive and are in addition to any other rights now being provided by law or under this order.
12. NON-COLLUSION: In signing this bid, the Vendor certifies he/she has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this proposal submitted to the State Purchasing Agent.
13. NON-DISCRIMINATION: Vendors doing business with the State of New Mexico must be in compliance with the Federal Civil Rights Act of 1964 and Title VII of that Act, Rev., 1979.
14. THE PROCUREMENT CODE: Sections 13-1-28 through 13-1-199 NMSA 1978 imposes civil and criminal penalties for its violation.
In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.
15. All bid items are to be NEW and most current production, unless otherwise specified.
16. PAYMENT FOR PURCHASES: Except as otherwise agreed to: late payment charges may be assessed against the user state agency in the amount and under the conditions set forth in section 13-14158 NMSA 1978.
17. WORKERS COMPENSATION: The Contractor agrees to comply with state laws and rules pertaining to workers compensation benefits for its employees. If the Contractor fails to comply with Workers Compensation Act and applicable rules when required to do so, this (Agreement) may be terminated by the contracting agency.
18. PAY EQUITY RECORDING: The Contractor agrees to comply with New Mexico Pay Equity reporting requirements as detailed in Executive Order 2009-049 Implementation Guidance available at <http://www.generalservices.state.nm.us/spd/guidance.pdf>



INTERA Incorporated
6000 Uptown Blvd, NE
Suite 220
Albuquerque, NM 87110
Telephone: (505) 246-1600
Fax: (505) 246-2600

April 16, 2012

Mr. Jim Griswold
Hydrologist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Work Plan and cost estimate for Site Investigation, State VC # 1, Lea County, New Mexico

Dear Mr. Griswold,

Please find enclosed the above referenced work plan and cost estimate. Thank you for the opportunity to work on this project and if you have any questions, please contact me at (505) 246-1600.

Sincerely,

INTERA Incorporated

A handwritten signature in blue ink, appearing to read "Joe A. Galemore". The signature is stylized and includes a long horizontal line extending to the right.

Joe A. Galemore
Senior Project Manager

Enclosure

FILE: S:\Projects\OCD_State_VC_1\Scope_of_Work_and_Cost_Estimate

WORK PLAN AND COST ESTIMATE FOR SITE INVESTIGATION

State VC # 1, Lea County, New Mexico

Submitted to:

State of New Mexico Energy, Minerals
& Natural Resources Department
Oil Conservation Division

Submitted by:



6000 Uptown Boulevard NE, Suite 220
Albuquerque, New Mexico 87110

April 16, 2012



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FIGURE

Figure 1 Project Location Map

TABLE

Table 1 Project Cost Estimate

APPENDIX

Appendix A Site Photographs



ABBREVIATIONS AND ACRONYMS

bgs	below ground surface
DRO	diesel range organics
EPA	U.S. Environmental Protection Agency
ft	feet <i>or</i> foot
GRO	gasoline range organics
HEAL	Hall Environmental Analysis Laboratory, Inc.
HSA	hollow-stem auger
IDW	investigation-derived waste
INTERA	INTERA Incorporated
LNAPL	light non-aqueous phase liquid
MRO	motor oil range organics
NMOC	New Mexico One Call
OCD	New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division
OSE	New Mexico Office of the State Engineer
PA	Pricing Agreement
PAHs	polynuclear aromatic hydrocarbons
PID	photoionization detector
ppmv	parts per million by volume
Site	State VC #1 site in Lea County, New Mexico
SLO	New Mexico State Land Office
SOP	standard operating procedure
SOW	scope of work
TPH	total petroleum hydrocarbons
VOC	volatile organic compound



1.0 INTRODUCTION

This work plan, which includes a scope of work (SOW) and cost estimate, is being submitted to the New Mexico Energy, Minerals and Natural Resources Department – Oil Conservation Division (OCD) to conduct investigation activities at the State VC #1 site (Site) in Lea County, New Mexico. A project location map is provided in Figure 1. This work plan was prepared in response to a verbal request from Mr. Jim Griswold of the OCD to Mr. Joe A. Galemore of INTERA Incorporated (INTERA) on March 29, 2012. The cost estimate provided in Table 1 is based on State of New Mexico, General Services Department, Pricing Agreement # 10-805-00-07208 (PA). The term of the PA is August 16, 2011, through August 15, 2012.

The purpose of the project for which this plan was developed is to investigate the extent of surface releases of crude and potentially produced water from former above-ground storage tanks located east of the former State VC #1 well. The following subsection describes the Site and summarizes previous project activities. Section 2.0 of the work plan provides the proposed SOW. Sections 3.0 and 4.0 discuss the project schedule and cost estimate, respectively, and Section 5.0 provides references. The cost estimate details are provided in Table 1.

1.1 Site Description and Project Background

The Site is a rectangular-shaped parcel of land approximately 500 feet (ft) by 100 ft owned by the New Mexico State Land Office. The surface lease is currently held by Lee Cattle Co. LP under lease GT2754. It is located approximately 5 miles east of Buckeye, New Mexico, and 18 miles northwest of Hobbs, New Mexico, at latitude 32.789460 and longitude -103.417618. The elevation of the Site is approximately 3,890 ft above mean sea level. The ground surface slopes down to the southeast and numerous playas are in the vicinity (Figure 1).

Based on subsurface investigations performed approximately 2 miles to the northwest, depth to the Ogallala Aquifer water table is approximately 60 ft below ground surface (bgs). Groundwater flow direction is to the southeast and the slope of the water table is 0.004 ft/ft (Maxim Technologies, 2005).

Land in the vicinity of the Site is used for ranching and oil and gas production. The Site is located in or just southeast of the Vacuum Field.

A plugged well, State VC # 1, is located on the western portion of the Site. Its API number is 30-025-03035. A pump jack was formerly located over the well. The eastern portion of the Site formerly contained a heater treater and a tank battery consisting of three above-ground storage tanks. The well was plugged in September 2009. The pump jack, above-ground storage tanks, and heater treater have also been removed.



Visits to the Site by OCD personnel revealed that releases of crude and/or produced water have occurred. Photographs of the Site prior to the removal of the equipment are provided in Appendix A.

2.0 SCOPE OF WORK

INTERA has divided the project SOW into the following tasks:

- Task 1 – Project Planning/Scheduling
- Task 2 – Field Activities
- Task 3 – Reporting

2.1 Task 1 — Project Planning/Scheduling

Prior to starting investigation field work, several activities need to be completed to ensure that the objectives of the project are understood, and that the data needed to meet project objectives will be collected safely and legally, and are of appropriate quality to support decision making. The objectives and related activities of Task 1 are to:

- Review OCD files to ensure that the number and locations of proposed wells are optimal.
- Obtain permission to legally access the Site property.
- Obtain a performance bond.
- Apply for and receive monitoring well permits necessary for doing the work.
- Schedule and execute formal agreements with subcontractors that provide clear SOWs and project terms and conditions.
- Develop and finalize a work plan that details health and safety and quality assurance and control procedures along with a detailed SOW.
- Check for access, stake boring locations, and contact New Mexico One Call (NMOC) to locate underground utilities.

We understand that Stage I and II Abatement Plans have been developed for a site in the Vacuum Field. These files will be reviewed for this task.

The next activity of Task 1 will include obtaining access to drill on New Mexico State Land Office (SLO) property. INTERA will complete the paper work and pay the fee necessary to gain access. However, INTERA's understanding is that the access agreement will be between the OCD and the SLO; consequently, the OCD will need to sign the access agreement.



In accordance with the PA, a performance bond will be secured by INTERA. This bond will be forwarded to OCD prior to the commencement of any activities. The bond will be in an amount equal to 100 percent of the contract order.

The New Mexico Office of the State Engineer (OSE) requires that monitoring wells be permitted prior to drilling. These permits will be applied for and obtained in Task 1. INTERA will complete the forms and pay the fees; however, as with the access agreement, OCD will need to sign the forms. The permits will be forwarded to the drilling contractor upon receipt.

Prior to initiating field work, agreements will be formalized with the drilling contractor, the investigation-derived waste (IDW) management service company, and the land surveyor. INTERA anticipates that Precision Sampling will perform the drilling/sampling and well installation, Gandy Marley Company will provide IDW transportation and disposal, and John West Surveying Company will provide the monitoring well surveying services. The agreements will include insurance requirements and a schedule.

Once permits are received and file review information is evaluated, the work plan will be modified. The modification will include the following:

- Maps illustrating proposed well locations.
- Copies of access agreements and OSE monitoring well permits.
- A Site-specific Health and Safety Plan.
- A sampling and analysis plan summary.
- INTERA standard operating procedures (SOPs).

The last activity of Task 1 is to request from NMOC (and other companies not included in the NMOC network) a meeting to locate underground utilities. A technician from INTERA's Carlsbad office will then perform a Site reconnaissance to (1) determine if drilling equipment and support vehicles can access the proposed soil boring locations, and (2) meet with underground utility company representatives. Once proposed locations have been cleared, they will be staked so that the locations are easily located by the INTERA scientist that will be performing Task 2 field activities.

2.2 Task 2 — Field Activities

The objective of Task 2 is to obtain data that can be used to determine if soils and/or groundwater have been impacted by the release of crude and/or produced water. To this end, Task 2 will consist of the drilling and sampling of five soil borings and conversion of three of the borings to groundwater monitoring wells. The locations of four of the borings are illustrated on



the photographs provided in Appendix A. The location of the fifth boring will be near the former State VC #1 well. Details of the soil boring advancement and soil sampling and analysis are detailed below in Section 2.2.1. The specifics of how the monitoring wells will be installed, developed, surveyed, sampled, and how the groundwater samples will be analyzed are provided in Section 2.2.2.

2.2.1 Soil Boring Advancement, Soil Sampling, and Soil Analysis

The anticipated depth for each soil boring is 75 ft bgs, which is an estimated 15 ft below the water table; however, in order to be conservative, boring depths of 80 ft have been budgeted. The drilling of each borehole shall be completed using a hollow-stem auger (HSA) drilling rig (CME 75 [high torque], 85, 95, or equivalent) with a 8 ¾ - inch bit (4 ¼ - inch ID) for the 2-inch wells.

The rig will have the flexibility to convert to air rotary if HSA drilling refusal occurs. A total of 100 feet (20 feet per boring) of air rotary drilling and soil boring reaming by 8 ¾ - inch OD HSA has been included in the cost estimate.

Soil borings will be continuously sampled using either a 5-ft-long continuous sampler or an 18-inch-long (or 24-inch-long) split-spoon sampler. Attempts will be made to sample caliche; however, sample refusal is anticipated. Shorter sample runs (2 to 2.5 ft) may be required in sand intervals. The cores will be lithologically logged and field screened for the presence of volatile organic compounds (VOCs). Samples will be collected for possible laboratory analysis using the methods detailed in INTERA SOP 5 (*Hollow-Stem Auger Drilling*). A photoionization detector (PID) equipped with a 10.6 electron volt lamp will be used to assist in the screening of the samples for VOCs. PID readings will be recorded on the soil boring log maintained by the INTERA scientist or engineer.

Borings not converted to monitoring wells will be plugged by either bentonite hole plug (3/8 – inch diameter chips of bentonite) or a cement-bentonite (95%/5% by weight) slurry. If bentonite hole plug is used, the chips will be poured into the boring in lifts. Once above the water table, each lift will be hydrated prior to continuing with the next, higher lift. If a cement-bentonite slurry is used, it will be mixed at the surface and poured into the boring. An estimated 160 feet of plugging has been included in the cost estimate.

A maximum of nine samples per boring will be collected for laboratory analysis as detailed in INTERA SOP 5. One sample will be selected for analysis every 5 ft in the first 20 feet (i.e., a total of 5 samples per boring) and then one sample every 10 ft will be selected thereafter until the boring TD is reached (i.e., a total of 4 samples per boring).



Selected soil samples will be analyzed for:

- VOCs by U.S. Environmental Protection Agency (EPA) Method 8260B (with methanol extraction) (only the two highest TPH concentrations from each boring will be analyzed)
- Total petroleum hydrocarbons (TPH) gasoline range organics (GRO), diesel range organics (DRO), and motor oil range organics (MRO) by EPA Method 8015B (with methanol extraction for TPH-GRO)
- Polynuclear aromatic hydrocarbons (PAHs) by EPA Method 8270 selective ion monitoring (only the two highest TPH-DRO + MRO concentrations from each boring will be analyzed)
- Chloride by EPA method 9056A

Samples selected for VOC and TPH-GRO analyses will be extracted in the field with methanol in accordance with the procedure detailed in INTERA SOP 5. Soil samples will be submitted to Hall Environmental Analysis Laboratory, Inc. (HEAL) of Albuquerque, New Mexico, under chain of custody as detailed in INTERA SOP 5.

2.2.2 Groundwater Monitoring Well Installation, Development, and Sampling/Analysis

The soil borings discussed above will be converted to a maximum of three monitoring wells using the procedures specified in SOP 7 (*Monitoring Well Installation*). The wells will remain in tension during the installation process, and each well will consist of:

- 2-inch diameter, schedule 40, flush-thread PVC with O-rings.
- 15 ft of 0.020 slot screen (with 5-ft above and 10-ft below the water table).
- A flush-threaded end cap.
- 10/20 or 8/16 gradation silica sand primary filter pack from 1 ft below the well to 3 ft above the top of screen.
- A 3- to 5-ft granular (# 6 or #8 mesh) bentonite seal above the secondary filter pack emplaced in 1-ft lifts and hydrated as specified by the manufacturer. Sufficient time should be allowed for the bentonite seal to hydrate or expand prior to grouting.
- Cement/bentonite (95%/5% by volume) grout to fill the remainder of the annular space to a depth of approximately 3 ft bgs.
- PVC extending 3 ft above grade. The north side of the PVC will be marked with a black sharpie or notched to provide a reference point for future surveying and depth to water and total depth measurements.



- A lockable j-plug at the top of monitoring well.

The wells will be completed with:

- An above-ground, sloped, 2 ft x 2 ft concrete pad (minimum thickness of 4-inches).
- A locking standpipe that extends 6 inches above the top of well PVC.
- An above-grade annular space between the well and stand pipe to be filled with sand.
- Three bollards.

Two of the four borings proposed on the eastern side of the Site, which contains the most highly contaminated soils, will be converted to monitoring wells. This will necessitate that all four borings be drilled before a decision is made as to which ones will be converted to wells. The third well will be installed so that the monitoring wells form a triangular pattern in plan view, which will facilitate the calculation of a groundwater hydraulic gradient.

Prior to developing each well, the grout will be allowed to cure until it has set for a minimum of 24 hours to prevent a break in the seal between the grout and well. The wells will be developed for a maximum of one hour using the procedure specified in INTERA SOP 8 (*Monitoring-Well Development*). Development will consist of bailing, swabbing, and pumping techniques or other applicable means. During development activities, turbidity and groundwater parameters will be monitored by INTERA.

No sooner than 48 hours after development, the new wells discussed above will be gauged and sampled using three-casing volume purging or low-flow sampling techniques as specified in INTERA SOP 9 (*Monitoring Well Gauging*) and SOP 10 (*Monitoring Well Sampling for Groundwater*). An interface probe will be used to check for light non-aqueous phase liquid (LNAPL). Groundwater monitoring wells containing LNAPL will not be sampled.

A maximum of three groundwater samples will be analyzed as follows:

- VOCs (and total naphthalenes) by EPA Method 8260B
- Dissolved Chloride by EPA Method 300.0
- Total Dissolved Solids by modified method SM 2540C

Samples will be collected as specified in INTERA SOP 10 (*Monitoring Well Sampling for Groundwater*). Proper chain-of-custody procedures will be adhered to during sample collection, transport, and delivery to HEAL.



2.2.3 Surveying

Once the wells are installed, a New Mexico licensed surveyor will survey the new well locations. The survey will include northing and easting of the measuring point relative to the North American Datum of 1927, New Mexico East Zone.

2.2.4 Quality Assurance

Soil and groundwater sampling will follow the INTERA SOPs listed above. In addition, INTERA SOP 2 (*Decontamination*) will be followed before and after the collection of each soil and groundwater sample. Field personnel will be degreed professionals in geology, hydrology, or engineering. Field instruments will be calibrated in accordance with manufacturer recommendations.

INTERA field personnel will use permanently bound field logbooks to record and document all field activities. The logbook will list the contract name and number, the project number, the Site name, and the names of the client and the project manager. At a minimum, the following will be recorded in the field logbook:

- Names and affiliations of all on-site personnel or visitors.
- Weather conditions during the field activity.
- A summary of daily activities and significant events.
- Discussions of problems encountered and their resolutions.
- Notes of conversations involving major decisions.
- Discussions of any deviations from the work plan.

2.2.5 IDW Management

Soil and groundwater waste will be generated during the investigation. Soil cuttings generated during drilling activities will be segregated based on field screening results. Cuttings from intervals that have PID readings of 100 parts per million by volume (ppmv) or greater will be drummed; cuttings from intervals that have PID readings of less than 100 ppmv will be thin-spread on-site. Drummed cuttings will be transported by a licensed contractor and disposed of at a licensed facility. A waste manifest and transportation ticket will need to be signed by an OCD representative. Groundwater waste will be poured onto impermeable surfaces and allowed to evaporate.



2.3 Task 3 — Reporting

Upon completion of Task 2 and receipt of the laboratory and survey data, INTERA will prepare a report documenting results of the soil and groundwater sampling activities. The report will provide a summary of the findings of the file review, detail site investigation methods, discuss findings, and provide conclusions and recommendations. Tables will be provided that summarize soil screening results, fluid level data, and soil and groundwater laboratory testing results. Field notes, photographic documentation, soil boring logs, well construction schematics, and copies of permits will be included as appendices. The following figures will be provided:

- A project location map
- A Site plan showing monitoring well locations
- A geologic cross section
- A potentiometric surface map
- Distribution of contaminants in soil
- Distribution of contaminants in groundwater

3.0 SCHEDULE

INTERA will begin scheduling and project coordination as soon as possible after the OCD has issued a purchase order for the investigation. The estimated time to complete the project is:

- Task 1: 14 calendar days
- Task 2: 30 calendar days
- Task 3: 14 calendar days

4.0 COST ESTIMATE

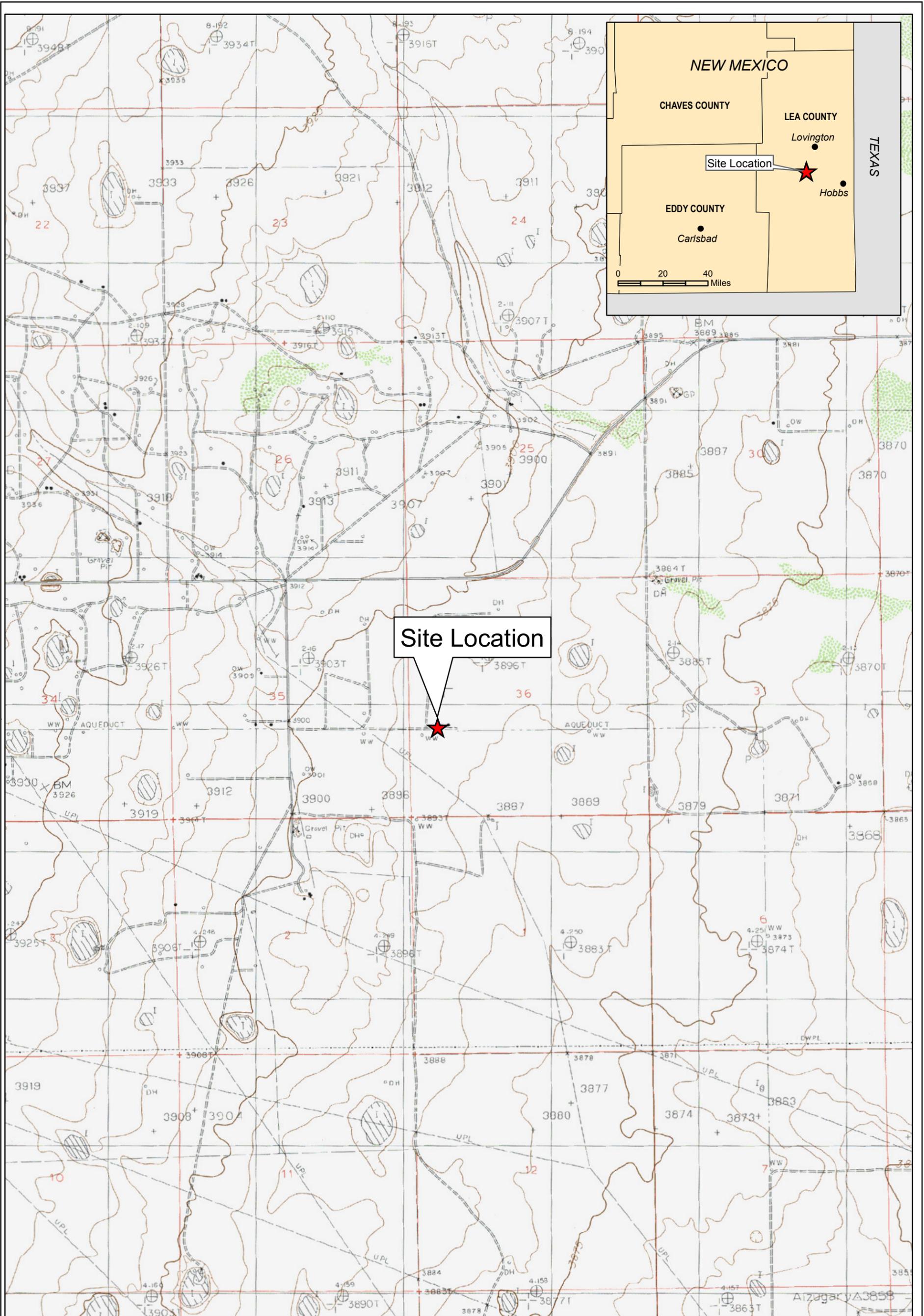
The cost estimate to provide the services described above is included in Table 1. INTERA's services will be provided on a time and material price basis. INTERA will not exceed these costs without first requesting and then obtaining approval for an amendment to this budget.



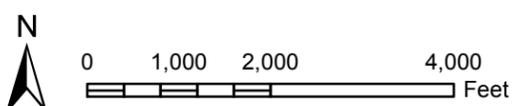
5.0 REFERENCES

Maxim Technologies. 2005. *Stage I and II Abatement Plan, ConocoPhillips East Vacuum Glorietta, East Tank Battery Playa, Lea County, New Mexico*. Prepared for ConocoPhillips. June.

FIGURE



Site Location



USGS 7.5 Minute Topographic Maps:
 Lovington SW Quadrangle, 1985;
 Contour Interval 5 Feet

INTERA Sources:
 Topo – Navigator Pro/USGS

Figure 1
 Project Location Map
 State VC #1

TABLE

TABLE 1
Cost Estimate for Site Investigation
State VC # 1, Lea County, New Mexico
April 16, 2012

Labor	Task 1		Task 2		Task 3		Total: Task 1-3			
	Project Planning		Field Activities		Reporting		Project Total			
	Rate	Units	Units	Price	Units	Price	Units	Price		
Principal	\$150	Hours	10	\$1,500.00	24	\$3,600.00	16	\$2,400.00	50	\$7,500.00
Senior Scientist	\$114	Hours		\$0.00		\$0.00		\$0.00	0	\$0.00
Project Engineer/Scientist	\$94	Hours		\$0.00		\$0.00		\$0.00	0	\$0.00
Staff Engineer/Scientist	\$83	Hours	40	\$3,320.00	142	\$11,786.00	48	\$3,984.00	230	\$19,090.00
Technician	\$75	Hours	8	\$600.00		\$0.00		\$0.00	8	\$600.00
Draftsperson	\$64	Hours	8	\$512.00		\$0.00	40	\$2,560.00	48	\$3,072.00
Administrator	\$69	Hours		\$0.00		\$0.00	8	\$552.00	8	\$552.00
Clerk	\$49	Hours		\$0.00		\$0.00	4	\$196.00	4	\$196.00
Labor Subtotal				\$5,932.00		\$15,386.00		\$9,692.00		\$31,010.00
Subcontractors/Permit Fees										
Bond	\$1,700	lump sum	1	\$1,700.00		\$0.00		\$0.00	1	\$1,700.00
SLO Property Access Fee	\$1,675	lump sum	1	\$1,675.00		\$0.00		\$0.00	1	\$1,675.00
NMOSE Monitoring Well Fee	\$5	Day	9	\$45.00		\$0.00		\$0.00	9	\$45.00
Drilling										
Mobilization	\$3,395	Each		\$0.00	1	\$3,395.00		\$0.00	1	\$3,395.00
Boring and Sampling (HSA) (4 1/4 inch ID)	\$15.25	Ft		\$0.00	300	\$4,575.00		\$0.00	300	\$4,575.00
MW Installation (2 inch) (HSAD)	\$15.25	Ft		\$0.00	240	\$3,660.00		\$0.00	240	\$3,660.00
Boring and Sampling (Air)	\$25.25	Ft		\$0.00	100	\$2,525.00		\$0.00	100	\$2,525.00
Air Compressor	\$850.00	week		\$0.00	2	\$1,700.00		\$0.00	2	\$1,700.00
Plug Borings	\$6.75	Ft		\$0.00	160	\$1,080.00		\$0.00	160	\$1,080.00
Development	\$125	Hour		\$0.00	3	\$375.00		\$0.00	3	\$375.00
Surface Completion	\$450	Well		\$0.00	3	\$1,350.00		\$0.00	3	\$1,350.00
Support Truck/Decon	\$150	Day		\$0.00	10	\$1,500.00		\$0.00	10	\$1,500.00
Mob Decon	\$250	ls		\$0.00	1	\$250.00		\$0.00	1	\$250.00
Per Diem	\$250	Day		\$0.00	10	\$2,500.00		\$0.00	10	\$2,500.00
Drums	\$60	Well		\$0.00	30	\$1,800.00		\$0.00	30	\$1,800.00
Stand By	\$185	Hour		\$0.00		\$0.00		\$0.00	0	\$0.00
Laboratory										
Soil-VOCs (8260B)	\$130	Each		\$0.00	10	\$1,300.00		\$0.00	10	\$1,300.00
Soil-TPH (8015B)	\$90	Each		\$0.00	45	\$4,050.00		\$0.00	45	\$4,050.00
Soil-Chloride (300.0)	\$25	Each		\$0.00	45	\$1,125.00		\$0.00	45	\$1,125.00
Soil-PAHs (8270 - SIM)	\$150	Each		\$0.00	10	\$1,500.00		\$0.00	10	\$1,500.00
GW-VOCs (8260B)	\$120	Each		\$0.00	3	\$360.00		\$0.00	3	\$360.00
GW - Dissolved Chloride (300.0)	\$15	Each		\$0.00	3	\$45.00		\$0.00	3	\$45.00
GW -TDS (2540C)	\$15	Each		\$0.00	3	\$45.00		\$0.00	3	\$45.00
Filters	\$20	Each		\$0.00	3	\$60.00		\$0.00	3	\$60.00
Survey	\$2,100	Day		\$0.00	1	\$2,100.00		\$0.00	1	\$2,100.00
Waste Management - Mobilization	\$250	Each		\$0.00	1	\$250.00		\$0.00	1	\$250.00
Waste Management - Drum Disposal	\$44	Each		\$0.00	16	\$704.00		\$0.00	16	\$704.00
Fee	0%	%		\$3,420.00		\$36,249.00		\$0.00	39669	\$0.00
Subcontractor Subtotal				\$3,420.00		\$36,249.00		\$0.00		\$39,669.00
Direct Expenses										
Gas Detection and Sampling Equipment (PID)	\$90	Day		\$0.00	10	\$900.00		\$0.00	10	\$900.00
Water Quality Meter	\$100	Day		\$0.00	10	\$1,000.00		\$0.00	10	\$1,000.00
Expendable Field Equipment	\$150	Day		\$0.00	10	\$1,500.00		\$0.00	10	\$1,500.00
Per Diem	\$140	Day		\$0.00	12	\$1,680.00		\$0.00	12	\$1,680.00
Per Diem (Partial - Meals)	\$40	Day		\$0.00	1	\$40.00		\$0.00	1	\$40.00
Light Truck	\$0.79	Mile	140	\$110.60	2020	\$1,595.80		\$0.00	2160	\$1,706.40
Misc. Field Equipment	\$75	Day		\$0.00	10	\$750.00		\$0.00	10	\$750.00
Expenses Subtotal				\$110.60		\$7,465.80		\$0.00		\$7,576.40

Subtotal \$78,255.40
NM GR Tax \$5,477.88
Project Total \$83,733.28



APPENDIX A
Site Photographs

SB-4



SB-3



19077
15008



SB-1



SB-3

SB-2



State of New Mexico Purchase Order

PO Number to be on all Invoices and Correspondence

Dispatch via Print

Energy, Minerals & Resources

1220 South St. Francis Drive
Santa Fe NM 87505
United States

Vendor: 0000043982
INTERA INC
6000 UPTOWN BLVD NE STE 100
ALBUQUERQUE NM 87110

Purchase Order 52100-0000035182	Date 04/23/2012	Revision	Page 1
Payment Terms Pay Now	Freight Terms FOB Destination	Ship Via Best Way	
Buyer RACHEL D. HERRERA		Phone 505/476-3311	

Ship To: 1220 South St. Francis Drive
Room 346
Santa Fe NM 87501
United States

Bill To: 1220 South St. Francis Drive
Room 346
Santa Fe NM 87501
United States

Origin: CON **Exc\Excl #:**

Line-Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
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1- 1	Initial soil and groundwater investigation beneath tank battery associated with State VC #1 (API # 30-025-03035) east of Buckeye, NM.		1.00	EA	92,106.61	92,106.61	04/23/2012
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52100-31100-0710000000-535300- -0750- - -112-10000

Schedule Total 92,106.61

Contract ID: 10-805-00-07208AC

Contract Line: 0 Release: 4

Item Total 92,106.61

Price Agreement expires on August 15, 2012
10-805-00-07208AC

Total PO Amount 92,106.61

Agency Approval - I certify that the proposed purchase represented by this document is authorized by and is made in accordance with all State (and if applicable Federal) legislation rules and regulation. I further certify that adequate unencumbered cash and budget expenditure authority exists for this proposed purchase and all other outstanding purchase commitments and accounts payable.

Authorized Signature

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT- PURCHASING DIVISION
TERMS AND CONDITIONS UNLESS OTHERWISE SPECIFIED

SPD-101A (07/92)

1. GENERAL: When the State Purchasing Agent issues a purchase document in response to the Vendors bid, a binding contract is created.
2. VARIATION IN QUANTITY: No variation in the quantity of any item called for by this order will be accepted unless such variation has been caused by conditions of loading, shipping, packing or allowances in manufacturing process, and then only to the extent, if any, specified elsewhere in this order.
3. ASSIGNMENT:
 - A: Neither the order, nor any interest therein, nor claim thereunder, shall be assigned or transferred by the Vendor, except as set forth in subparagraph 3B below or as expressly authorized in writing by the STATE PURCHASING AGENTS OFFICE. No such assignment or transfer shall relieve the Vendor from the obligations and liabilities under this order.
 - B: Vendor agrees that any and all claims for overcharge resulting from antitrust violations which are borne by the State as to goods, services, and materials purchased in connection with this bid are hereby assigned to the State.
4. STATE FURNISHED PROPERTY: State furnished property shall be returned to the state upon request in the same condition as received except for ordinary wear, tear, and modifications ordered hereunder.
5. DISCOUNTS: Prompt payment discounts will not be considered in computing the low bid. Discounts for payment within 20 days will be considered after the award of the contract. Discounted time will be computed from the date of receipt of the merchandise or invoice, whichever is later.
6. INSPECTION: Final inspection and acceptance will be made at the destination. Supplies rejected at the destination for non-conformance with specifications shall be removed, at the Vendors risk and expense, promptly after notice of rejection.
7. INSPECTION OF PLANT: The State Purchasing Agent may inspect, at any reasonable time, the part of the contractors, or any subcontractors plant or place of business, which is related to the performance of this contract.
8. COMMERCIAL WARRANTY: The Vendor agrees that the supplies or services furnished under this order shall be covered by the most favorable commercial warranties the Vendor gives to any customer for such supplies or services, and that the rights and remedies provided herein shall extend to the State and are in addition to and do not limit any rights afforded to the State by any other cause of this order. Vendor agrees not to disclaim warranties of fitness for a particular purpose or merchantability.
9. TAXES: The unit price shall exclude all State taxes.
10. PACKING, SHIPPING AND INVOICING:
 - A: The States purchase document number and the Vendors name, users name and location shall be shown on each packing and delivery ticket, package, bill of lading and other correspondence in connection with the shipment. The users count will be accepted by the Vendor as final and conclusive on all shipments not accompanied by a packing ticket.
 - B: The Vendors invoice shall be submitted in triplicate, duly certified and shall contain the following information: order number, description of supplies or services, quantities, unit prices and extended totals. Separate invoices shall be rendered for each and every complete shipment.
 - C: Invoices must be submitted to the using agency and NOT THE STATE PURCHASING AGENT.
11. DEFAULT: The State reserves the right to cancel all or any part of this order without cost to the State, if the Vendor fails to meet the provisions of this order and, except as otherwise provided herein, to hold the Vendor liable for any excess cost occasioned by the State due to the Vendors default. The Vendor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Vendor, such causes include, but are not restricted to, acts of God or of the public enemy, acts of the State or of the Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, unusually severe weather and defaults of subcontractors due to any of the above, unless the State shall determine that the supplies or services to be furnished by the subcontractor where obtainable from other sources in sufficient time to permit the Vendor to meet the required delivery scheduled. The rights and remedies of the State provided in this paragraph shall not be exclusive and are in addition to any other rights now being provided by law or under this order.
12. NON-COLLUSION: In signing this bid, the Vendor certifies he/she has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this proposal submitted to the State Purchasing Agent.
13. NON-DISCRIMINATION: Vendors doing business with the State of New Mexico must be in compliance with the Federal Civil Rights Act of 1964 and Title VII of that Act, Rev., 1979.
14. THE PROCUREMENT CODE: Sections 13-1-28 through 13-1-199 NMSA 1978 imposes civil and criminal penalties for its violation.
In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.
15. All bid items are to be NEW and most current production, unless otherwise specified.
16. PAYMENT FOR PURCHASES: Except as otherwise agreed to: late payment charges may be assessed against the user state agency in the amount and under the conditions set forth in section 13-14158 NMSA 1978.
17. WORKERS COMPENSATION: The Contractor agrees to comply with state laws and rules pertaining to workers compensation benefits for its employees. If the Contractor fails to comply with Workers Compensation Act and applicable rules when required to do so, this (Agreement) may be terminated by the contracting agency.
18. PAY EQUITY RECORDING: The Contractor agrees to comply with New Mexico Pay Equity reporting requirements as detailed in Executive Order 2009-049 Implementation Guidance available at <http://www.generalservices.state.nm.us/spd/guidance.pdf>