

RECR – 4

**North Lea Joint
Venture**

Correspondence



DCN: 118320.2-ALB11WO001

WORK ORDER NO: 1

Issued Pursuant to State of New Mexico Price Agreement # 10-805-00-07208 dated 8/12/2011 by and between Kleinfelder West, Inc. (KLEINFELDER) and New Mexico Oil Conservation Division (CLIENT).

CLIENT Office: (Location) 1220 South St. Francis Drive, Santa Fe, NM 97505

KLEINFELDER Project No: _____ Work Order Type: Time and Material
 Fixed Price
 Other (describe): _____

CLIENT Reference No: NMDOT price agreement Number 10-805-00-07208

KLEINFELDER Office: 9019-A Washington NE, Albuquerque, NM 87113

KLEINFELDER Contact: Bernard Bockisch (505) 344-7373 bbockisch@kleinfelder.com

- 1. SCOPE OF WORK: Perform a site visit to a former crude oil pit located at latitude 33.515033, longitude 103.317064. The site is located approximately 1.3 miles northeast of Crossroads, New Mexico. Kleinfelder understands that the site consists of a pit and an associated groundwater monitoring well. Site access will be provided by others.

The purpose of the site visit is to assess the site for future work to close the pit. In addition to the site visit, Kleinfelder will attempt to obtain a depth to water reading from the well and collect a groundwater sample. If successful the groundwater sample will be analyzed for benzene, toluene, ethylbenzene, and xylene (BTEX) by EPA Method 8260 and gasoline and diesel range total petroleum hydrocarbons (TPH) by EPA Method 8015. Upon completion of the site visit, a short letter report will be provided that will include a site plan, analytical results, and recommendations for additional work at the site. The letter report will be submitted within 10 working days after receipt of analytical data.

Travel and Field Time

Project Manager, 20 hrs @ \$114/hr.....	\$2280
Field Tech II, 24 hrs @ \$63/hr.....	\$1512
Mileage, 650 miles @ \$0.79/mile.....	\$514
Per Diem (lodging and meals) 2 @ \$140/day.....	\$280
Per Diem (meals only) 2 @ \$40/day.....	\$80
Misc. Field Equipment 1 @ \$75/day.....	\$75
Expendable field equipment, 1 day @ \$150/day.....	\$150
Subtotal.....	\$4,891

Sample Analysis

BTEX and TPH @ \$140/sample.....	\$140
Subtotal.....	\$140



Management and Reporting

Report Preparation, 8 hrs @ \$114/hr.....	\$912
Report Review, 2 hrs @ \$171/hr.....	\$342
Admin, 4 hr @ \$69/hr.....	\$276
Drafting 4 hr @ \$64/hr.....	\$256
Project Manager, 4 hrs @ \$114/hr.....	<u>\$456</u>
Subtotal.....	\$2,242
TOTAL.....	\$7,273

Note: Does not include New Mexico Gross Receipts Tax (if applicable).

2. LOCATION/CLIENT FACILITY INVOLVED: New Mexico Oil Conservation Division
3. PERIOD OF PERFORMANCE: FROM: Pending upon NTP
4. AUTHORIZED FEES: **\$7,273** on a Time and Materials price pursuant to the rates provided in the 2011 NMDOT Price Agreement. The Authorized Fee will not exceed estimated fee without prior written authorization.
5. SPECIAL PROVISIONS: N/A

NOTICE TO PROCEED IS GIVEN ON (DATE): _____

NEW MEXICO OIL CONSERVATION DIVISION KLEINFELDER WEST, INC.

By _____	By _____
Name _____	Name _____
Title _____	Title _____
Dated _____	Dated _____



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: 0000055729
KLEINFELDER WEST INC
9019 WASHINGTON NE BUILDING A
ALBUQUERQUE NM 87113

Purchase Order 52100-0000032859	Date 09/07/2011	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: CON **Exc\Excl #:**

Line-Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
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1- 1	Site visit & initial assessment for pit investigation and closure. North Lez Joint Venture.		1.00	EA	7,750.01	7,750.01	09/07/2011
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52100-31100-0710000000-535300- -0750- - -112-10000

Schedule Total 7,750.01

Contract ID: 10-805-00-07208AD

Contract Line: 0 Release: 1

Item Total 7,750.01

Price Agreement: 10-805-00-07208
Expires on 8/15/2012

Total PO Amount 7,750.01

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>

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Tuesday, September 27, 2011 4:59 PM
To: Griswold, Jim, EMNRD
Cc: Brown, Maxey G, EMNRD; Craig Corey
Subject: North Lez Pit Site Visit
Attachments: 1109702.pdf

Jim,

I've attached the analytical results for the groundwater sample collected from the monitor well at the southeast corner of the North Lez Pit. It's all non-detect. Depth to groundwater in the well was about 120 feet from top of casing.

I'd like to discuss a path forward with you sometime. Please call when you get a chance. I'm in and out of the office a bit these days, so if I'm not in call me on my cell phone.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x213
f | 505.344.1711
c| 505.401.1955

COVER LETTER

Tuesday, September 27, 2011

Bernie Bockisch
Kleinfelder
9019 Washington NE Building A
Albuquerque, NM 87113

TEL: (505) 344-7373

FAX (505) 344-1711

RE: North Lez Pit

Order No.: 1109702

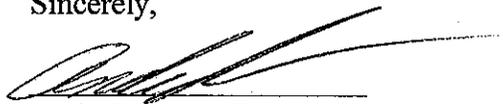
Dear Bernie Bockisch:

Hall Environmental Analysis Laboratory, Inc. received 2 sample(s) on 9/20/2011 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. Below is a list of our accreditations. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. All samples are reported as received unless otherwise indicated.

Please do not hesitate to contact HEAL for any additional information or clarifications.

Sincerely,



Andy Freeman, Laboratory Manager

NM Lab # NM9425 NM0901

AZ license # AZ0682

Hall Environmental Analysis Laboratory, Inc.

Date: 27-Sep-11

Analytical Report

CLIENT: Kleinfelder	Client Sample ID: NL-1
Lab Order: 1109702	Collection Date: 9/19/2011 2:47:00 PM
Project: North Lez Pit	Date Received: 9/20/2011
Lab ID: 1109702-01	Matrix: AQUEOUS

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE						Analyst: JB
Diesel Range Organics (DRO)	ND	1.0		mg/L	1	9/22/2011 12:14:36 PM
Motor Oil Range Organics (MRO)	ND	5.0		mg/L	1	9/22/2011 12:14:36 PM
Surr: DNOP	147	81.1-147		%REC	1	9/22/2011 12:14:36 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: RAA
Gasoline Range Organics (GRO)	ND	0.050		mg/L	1	9/26/2011 9:18:03 PM
Surr: BFB	92.7	65.4-141		%REC	1	9/26/2011 9:18:03 PM
EPA METHOD 8260: VOLATILES SHORT LIST						Analyst: MMS
Benzene	ND	1.0		µg/L	1	9/21/2011 1:52:59 AM
Toluene	ND	1.0		µg/L	1	9/21/2011 1:52:59 AM
Ethylbenzene	ND	1.0		µg/L	1	9/21/2011 1:52:59 AM
Xylenes, Total	ND	2.0		µg/L	1	9/21/2011 1:52:59 AM
Surr: 1,2-Dichloroethane-d4	93.7	70-130		%REC	1	9/21/2011 1:52:59 AM
Surr: 4-Bromofluorobenzene	98.3	73-131		%REC	1	9/21/2011 1:52:59 AM
Surr: Dibromofluoromethane	101	70-130		%REC	1	9/21/2011 1:52:59 AM
Surr: Toluene-d8	91.8	70-130		%REC	1	9/21/2011 1:52:59 AM

Qualifiers:

- | | |
|----------------------------------------------|------------------------------------------------------|
| * Value exceeds Maximum Contaminant Level | B Analyte detected in the associated Method Blank |
| E Estimated value | H Holding times for preparation or analysis exceeded |
| J Analyte detected below quantitation limits | MCL Maximum Contaminant Level |
| NC Non-Chlorinated | ND Not Detected at the Reporting Limit |
| PQL Practical Quantitation Limit | S Spike recovery outside accepted recovery limits |

Hall Environmental Analysis Laboratory, Inc.

Date: 27-Sep-11
Analytical Report

CLIENT: Kleinfelder	Client Sample ID: TRIP BLANK
Lab Order: 1109702	Collection Date:
Project: North Lez Pit	Date Received: 9/20/2011
Lab ID: 1109702-02	Matrix: TRIP BLANK

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8260: VOLATILES SHORT LIST						Analyst: MMS
Benzene	ND	1.0		µg/L	1	9/21/2011 3:38:33 AM
Toluene	ND	1.0		µg/L	1	9/21/2011 3:38:33 AM
Ethylbenzene	ND	1.0		µg/L	1	9/21/2011 3:38:33 AM
Xylenes, Total	ND	2.0		µg/L	1	9/21/2011 3:38:33 AM
Surr: 1,2-Dichloroethane-d4	92.0	70-130		%REC	1	9/21/2011 3:38:33 AM
Surr: 4-Bromofluorobenzene	92.5	73-131		%REC	1	9/21/2011 3:38:33 AM
Surr: Dibromofluoromethane	96.8	70-130		%REC	1	9/21/2011 3:38:33 AM
Surr: Toluene-d8	92.5	70-130		%REC	1	9/21/2011 3:38:33 AM

Qualifiers:

- | | |
|----------------------------------------------|------------------------------------------------------|
| * Value exceeds Maximum Contaminant Level | B Analyte detected in the associated Method Blank |
| E Estimated value | H Holding times for preparation or analysis exceeded |
| J Analyte detected below quantitation limits | MCL Maximum Contaminant Level |
| NC Non-Chlorinated | ND Not Detected at the Reporting Limit |
| PQL Practical Quantitation Limit | S Spike recovery outside accepted recovery limits |

QA/QC SUMMARY REPORT

Client: Kleinfelder
Project: North Lez Pit

Work Order: 1109702

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 8015B: Diesel Range											
Sample ID: MB-28523		MBLK									
Diesel Range Organics (DRO)	ND	mg/L	1.0								
Motor Oil Range Organics (MRO)	ND	mg/L	5.0								
Sample ID: LCS-28523		LCS									
Diesel Range Organics (DRO)	5.525	mg/L	1.0	5	0	111	74	157			
Sample ID: LCSD-28523		LCSD									
Diesel Range Organics (DRO)	5.705	mg/L	1.0	5	0	114	74	157	3.20	23	
Method: EPA Method 8015B: Gasoline Range											
Sample ID: B 7		MBLK									
Gasoline Range Organics (GRO)	ND	mg/L	0.050								
Sample ID: 2.5UG GRO LCS		LCS									
Gasoline Range Organics (GRO)	0.5598	mg/L	0.050	0.5	0	112	92.1	117			
Method: EPA Method 8260: Volatiles Short List											
Sample ID: 1109702-01a msd		MSD									
Benzene	18.94	µg/L	1.0	20	0	94.7	69.2	127	2.63	18.7	
Toluene	18.64	µg/L	1.0	20	0	93.2	68.2	130	3.20	16.9	
Sample ID: 5ml rb		MBLK									
Benzene	ND	µg/L	1.0								
Toluene	ND	µg/L	1.0								
Ethylbenzene	ND	µg/L	1.0								
Xylenes, Total	ND	µg/L	2.0								
Sample ID: 100ng lcs		LCS									
Benzene	20.23	µg/L	1.0	20	0	101	81.1	130			
Toluene	19.21	µg/L	1.0	20	0	96.1	82.3	122			
Sample ID: 1109702-01a ms		MS									
Benzene	19.45	µg/L	1.0	20	0	97.2	69.2	127			
Toluene	19.24	µg/L	1.0	20	0	96.2	68.2	130			

Qualifiers:

E	Estimated value	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	NC	Non-Chlorinated
ND	Not Detected at the Reporting Limit	R	RPD outside accepted recovery limits

Hall Environmental Analysis Laboratory, Inc.

Sample Receipt Checklist

Client Name KLEIN

Date Received:

9/20/2011

Work Order Number 1109702

Received by: AMG

Checklist completed by:


Signature

9/20/11
Date

Sample ID labels checked by:

AA
Initials

Matrix:

Carrier name: Client drop-off

- | | | | | |
|---------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|-----------------------------------------|----------------------------------------------------------|
| Shipping container/cooler in good condition? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | Not Present <input type="checkbox"/> | |
| Custody seals intact on shipping container/cooler? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | Not Present <input type="checkbox"/> | Not Shipped <input checked="" type="checkbox"/> |
| Custody seals intact on sample bottles? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> | |
| Chain of custody present? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Chain of custody signed when relinquished and received? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Chain of custody agrees with sample labels? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Samples in proper container/bottle? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Sample containers intact? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Sufficient sample volume for indicated test? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| All samples received within holding time? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | |
| Water - VOA vials have zero headspace? | No VOA vials submitted <input type="checkbox"/> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | Number of preserved bottles checked for pH:

_____ |
| Water - Preservation labels on bottle and cap match? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> | |
| Water - pH acceptable upon receipt? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> | |
| Container/Temp Blank temperature? | 6.2° | <6° C Acceptable
If given sufficient time to cool. | | <2 >12 unless noted below. |

COMMENTS:

Client contacted _____ Date contacted: _____ Person contacted _____

Contacted by: _____ Regarding: _____

Comments: _____

Corrective Action _____

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Wednesday, September 28, 2011 2:57 PM
To: Griswold, Jim, EMNRD
Subject: RE: North Lez Pit Site Visit

Jim,

I spoke to Andy at Hall. The samples were preserved with HCL, so there's no way to get a good analysis. I'm going down next week on another project and can collect a sample at that time if you'd like?

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x213
f | 505.344.1711
c| 505.401.1955

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Wednesday, September 28, 2011 2:19 PM
To: Bernie Bockisch
Cc: Brown, Maxey G, EMNRD
Subject: RE: North Lez Pit Site Visit

Bernie,

I'm down in Hobbs now and will not be back in the office until late Friday afternoon at the earliest. Does Hall have sufficient water to perform a chloride assay (Method 300)? The "North Lez Pit" was a typo by someone in my fiscal group, this project is actually referred to as the "North Lea Joint Venture" like in Lea County. Thanks.

Jim

From: Bernie Bockisch [<mailto:BBockisch@kleinfelder.com>]
Sent: Tuesday, September 27, 2011 4:59 PM
To: Griswold, Jim, EMNRD
Cc: Brown, Maxey G, EMNRD; Craig Corey
Subject: North Lez Pit Site Visit

Jim,

I've attached the analytical results for the groundwater sample collected from the monitor well at the southeast corner of the North Lez Pit. It's all non-detect. Depth to groundwater in the well was about 120 feet from top of casing.

I'd like to discuss a path forward with you sometime. Please call when you get a chance. I'm in and out of the office a bit these days, so if I'm not in call me on my cell phone.

Bernie

Bernard Bockisch

Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x213

f | 505.344.1711

c| 505.401.1955

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Wednesday, October 12, 2011 2:34 PM
To: Griswold, Jim, EMNRD
Subject: North Lea Analytical Results
Attachments: 1110365.pdf; 1109702.pdf

Jim,

I've attached the hydrocarbon and chloride results from the ground water sample collected from the well located southeast of the North Lea Pit. The chlorides are 2500 mg/l, but the BTEX and TPH concentrations are non-detect. I suspect that the chlorides may be the result of a more regional issue and not necessarily associated with the pit since the hydrocarbons were non-detect. I'd like to discuss my thoughts on a path forward with you when you get a chance.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x213
f | 505.344.1711
c| 505.401.1955

COVER LETTER

Wednesday, October 12, 2011

Bernard Bokisch
Kleinfelder
9019 Washington NE Building A
Albuquerque, NM 87113

TEL: (505) 344-7373

FAX (505) 344-1711

RE: North LEA Pit

Dear Bernard Bokisch:

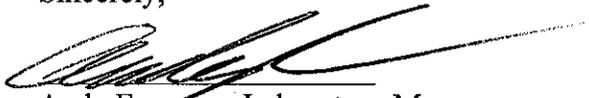
Order No.: 1110365

Hall Environmental Analysis Laboratory, Inc. received 1 sample(s) on 10/6/2011 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. Below is a list of our accreditations. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. All samples are reported as received unless otherwise indicated.

Please do not hesitate to contact HEAL for any additional information or clarifications.

Sincerely,



Andy Freeman, Laboratory Manager

NM Lab # NM9425 NM0901

AZ license # AZ0682

Hall Environmental Analysis Laboratory, Inc.

Date: 12-Oct-11

Analytical Report

CLIENT:	Kleinfelder	Client Sample ID:	North LEA-1 Chloride
Lab Order:	1110365	Collection Date:	10/4/2011 12:07:00 PM
Project:	North LEA Pit	Date Received:	10/6/2011
Lab ID:	1110365-01	Matrix:	AQUEOUS

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 300.0: ANIONS						Analyst: SRM
Chloride	2500	100		mg/L	200	10/11/2011 2:31:41 AM

Qualifiers:

* Value exceeds Maximum Contaminant Level	B Analyte detected in the associated Method Blank
E Estimated value	H Holding times for preparation or analysis exceeded
J Analyte detected below quantitation limits	MCL Maximum Contaminant Level
NC Non-Chlorinated	ND Not Detected at the Reporting Limit
PQL Practical Quantitation Limit	S Spike recovery outside accepted recovery limits

QA/QC SUMMARY REPORT

Client: Kleinfelder
Project: North LEA Pit

Work Order: 1110365

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 300.0: Anions											
Sample ID: MB		<i>MBLK</i>									
Chloride	ND	mg/L	0.50								
Sample ID: MB		<i>MBLK</i>									
Chloride	ND	mg/L	0.50								
Sample ID: LCS		<i>LCS</i>									
Chloride	5.014	mg/L	0.50	5	0	100	90	110			
Sample ID: LCS		<i>LCS</i>									
Chloride	4.982	mg/L	0.50	5	0	99.6	90	110			
Sample ID: LCSD		<i>LCSD</i>									
Chloride	4.977	mg/L	0.50	5	0	99.5	90	110	0.728	20	

Qualifiers:

- E Estimated value
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit
- H Holding times for preparation or analysis exceeded
- NC Non-Chlorinated
- R RPD outside accepted recovery limits

Hall Environmental Analysis Laboratory, Inc.

Sample Receipt Checklist

Client Name KLEIN

Date Received:

10/6/2011

Work Order Number 1110365

Received by: AMG

Checklist completed by:


Signature _____ Date 10/6/11

Sample ID labels checked by:


Initials

Matrix:

Carrier name: Client drop-off

Shipping container/cooler in good condition?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Not Present <input type="checkbox"/>	
Custody seals intact on shipping container/cooler?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Not Present <input type="checkbox"/>	Not Shipped <input checked="" type="checkbox"/>
Custody seals intact on sample bottles?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>	
Chain of custody present?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Chain of custody signed when relinquished and received?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Chain of custody agrees with sample labels?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Samples in proper container/bottle?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Sample containers intact?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Sufficient sample volume for indicated test?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
All samples received within holding time?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>		
Water - VOA vials have zero headspace?	No VOA vials submitted <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Number of preserved bottles checked for pH: _____
Water - Preservation labels on bottle and cap match?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>	
Water - pH acceptable upon receipt?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>	<2 >12 unless noted below.
Container/Temp Blank temperature?	4.1°	<6° C Acceptable If given sufficient time to cool.		

COMMENTS:

Client contacted _____ Date contacted: _____ Person contacted _____

Contacted by: _____ Regarding: _____

Comments: _____

Corrective Action _____



December 8, 2011
Proposal No.: 118320.2-ALB11PR001

Mr. Jim Griswold
New Mexico Oil Conservation Division
1200 South St. Francis Drive
Santa Fe, New Mexico 87505

**Subject: Proposal to Perform a
Limited Phase II Environmental Site Assessment
North Lea Joint Venture Site
Crossroads, New Mexico**

Dear Mr. Griswold:

Kleinfelder West, Inc. (Kleinfelder) is pleased to submit this proposal to the New Mexico Oil Conservation Division (NMOCD) to perform a limited Phase II Environmental Site Assessment (limited Phase II ESA) for the above referenced property (the "Site").

The Site is located approximately 2 miles northwest of Crossroads, New Mexico. The Subject Site consists of an abandoned crude oil pit that is surrounded by an earthen berm (See Figure 1, Site Plan). It is the intent of the NMOCD to close out this pit and Kleinfelder has provided closure alternatives in a previously submitted letter dated October 25, 2011. The purpose of this limited Phase II ESA is to assess if subsurface impacts to soil have occurred from the pit.

SCOPE OF WORK

Three borings will be advanced at the Site to assess the potential horizontal and vertical extent of contaminants of concern (COCs). The first boring will be advanced as close to the pit as possible. The boring will be located within the portion of the berm that was pushed into the pit (see Figure 2, Boring Location Plan). Data from this boring will help assess the vertical extent of COCs as well as provide an estimate of the depth of material in the pit. The remaining two borings will be placed to the northeast and southeast corners of the pit. These borings will assist with assessing the horizontal extent of impacts from the pit. Each boring will be advanced to a depth of approximately 75 feet (ft) below ground surface (bgs) and sampled for total petroleum hydrocarbons (TPH) and chlorides. Kleinfelder will also collect a sample of the pit material for possible landfill disposal characterization.

Task 1 – Project Preparation

This task includes preparing and submitting this work plan and other project preparation activities that occur after project authorization, but before fieldwork mobilization. After receiving authorization to proceed, Kleinfelder will:

- Develop a Health and Safety Plan (HASP) that addresses field work specified in the work plan;
- Develop work orders and contracts for subcontractors;
- Notify New Mexico One-Call to facilitate location of underground utilities and pipelines; and
- Notify the NMOCD a minimum of 72 hours prior to the commencement of field and sampling activities.

Task 2 – Field Program

A Kleinfelder geologist will supervise the advancement of the soil borings at the site. Borings will be drilled using an 8-inch outside diameter hollow stem auger (HSA) drill rig. Borings will be advanced to 75 ft bgs or refusal. Samples will be collected at 5 ft intervals using a 2-in. diameter by 24-in. long split spoon sampler. Cuttings and samples will be logged according to the Unified Soil Classification System. Field screening for petroleum hydrocarbons will be performed in the following manner:

- All split spoon samples will be field screened with a photoionization detector (PID) using the heated headspace method.
- The Kleinfelder geologist will also field screen the samples using the PetroFlag soil screening method. Petroflag screening samples will be collected and analyzed at 10 ft bgs and every 10 ft thereafter and will include the bottom-hole sample (total of 5 samples per boring).

The selected samples will be submitted under chain of custody to Hall Environmental Analytical Laboratory and analyzed for gasoline, diesel, and heavy oil range TPH (GRO, DRO, ORO) by EPA method 8015B modified and chlorides by method 300.0. In addition, a sample from the pit will be collected and analyzed for TPH-GRO, DRO, and ORO, volatile organic compounds by EPA Method 8260; reactivity, corrosivity, and ignitability by methods SM 4500 and 1010; and RCRA 8 metals by EPA Methods 6010B and 7470 using the Toxicity Characteristic Leach Procedure. The pit sample will be used to characterize the waste in case it is disposed of at a landfill or landfarm.

Investigation Derived Waste (IDW) Management

IDW will be managed in accordance with required regulatory procedures. Cuttings from borings will be placed in DOT-approved fifty-five gallon drums. Disposal will be based upon the results of the soil analytical data and fees for this are not included in this proposal. No IDW water is anticipated.

Health and Safety Considerations

Personal protective clothing including steel-toed work boots, gloves, safety glasses and hard hats will be required (basic Level D requirements) during all field tasks. Respirators will be on hand in the event they are needed. Kleinfelder will provide a HASP that will be reviewed and signed by on-site Kleinfelder personnel, subcontractors, and authorized visitors.

Quality Assurance/Quality Control

Drilling and sampling will be completed in accordance with our standard Quality Assurance/Quality Control procedures designed to minimize cross-contamination between samples and to provide reliable laboratory results.

Task 3 – Reporting

A short letter report summarizing our Limited Phase II ESA field activities and findings will be submitted to the NMOCD. The letter report will include a Site description, project history, description of data collection procedures, a discussion of results, and recommendations. The report will additionally include:

- A scaled site plan showing the locations of borings in relationship to the pit and other site features;
- Soil boring logs;
- Tabulation of field screening and laboratory analytical test results; and
- Conclusions

SCHEDULE

Kleinfelder will schedule this project upon receipt of your written authorization to proceed. Please note that this schedule is based on our current workload and is subject to change. Kleinfelder estimates the field program will be completed within three weeks after notice to proceed. The laboratory analyses will be completed two weeks after samples have been submitted to the laboratory, and the report will be completed ten working days after receiving the results from the laboratory.

PROJECT BUDGET

Our estimated time and materials fee for the scope of work described above is \$26,373, not including applicable New Mexico Gross Receipts Tax. A breakdown of the costs (See Project Summary) is included as an attachment. Pricing is based upon the New Mexico Department of Transportation Price Agreement No. 10-805-00-07208.

CLOSING

Our work will be performed in a manner consistent with that level of care and skill ordinarily exercised by other members of Kleinfelder's profession practicing in the same locality, under similar conditions and at the date the services are provided. Our conclusions, opinions, and recommendations will be based on a limited number of observations and data. It is possible that conditions could vary between or beyond the data evaluated. Kleinfelder makes no guarantee or warranty, express or implied, regarding the services, communication (oral or written), report, opinion, or instrument of service provided.

This proposal is valid for a period of 45 days from the date of this proposal. This proposal was prepared specifically for the client and its designated representatives and may not be provided to others without Kleinfelder's express permission.

We appreciate the opportunity to provide these services to NMOCD. Should any questions arise concerning this work plan; we will be pleased to discuss them with you.

Respectfully submitted,

KLEINFELDER WEST, INC.



Bernard Bockisch, PMP
Senior Project Manager

Reviewed by:



Eileen Shannon PG
Senior Program Manager

Attachments: Figure 1 Site Plan
 Figure 2 Boring Location Plan
 Project Summary



SOURCES: http://services.arcgisonline.com/ArcGIS/rest/services/ESRI_Imagery_World_2D/MapServer

The information included on this graphic representation has been compiled from a variety of sources and is subject to change without notice. Kleinfelder makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a land survey product nor is it designed or intended as a construction design document. The use or misuse of the information contained on this graphic representation is at the sole risk of the party using or misusing the information.



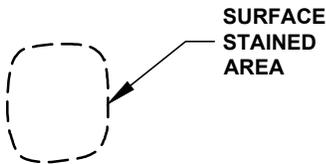
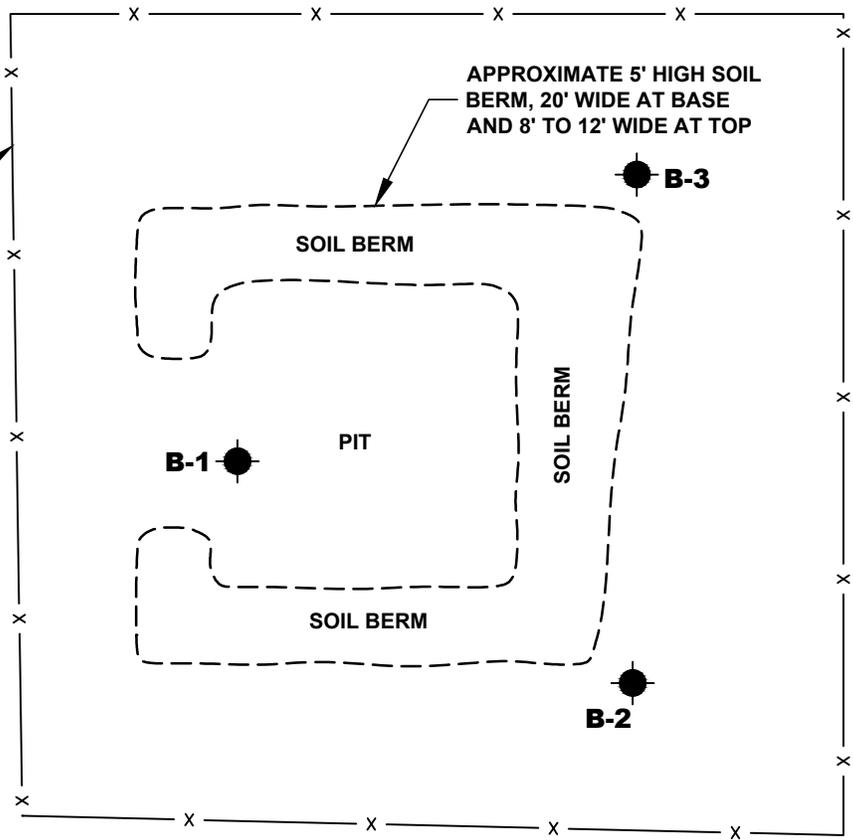
	PROJECT NO. 122078	SITE MAP	FIGURE 1
	DRAWN: 10/20/2011		
	DRAWN BY: PD	NORTH LEA JOINT VENTURE PIT 2.6 MILES NW OF CROSSROADS, NM LEA COUNTY, NEW MEXICO	
	CHECKED BY: BB		
	FILE NAME: 122078_SiteMap.MXD		

PLOTTED: 25 Oct 2011, 8:56am, dfahney

CAD FILE: L:\2011\CADD\122078\ LAYOUT: Layout1

4-STRAND
BARBED-WIRE
FENCE

APPROXIMATE 5' HIGH SOIL
BERM, 20' WIDE AT BASE
AND 8' TO 12' WIDE AT TOP



SURFACE
STAINED
AREA



APPROXIMATE SCALE (feet)

LEGEND

-  APPROXIMATE MONITORING WELL LOCATION
- B-3**  PROPOSED BORING LOCATION

The information included on this graphic representation has been compiled from a variety of sources and is subject to change without notice. Kleinfelder makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a land survey product nor is it designed or intended as a construction design document. The use or misuse of the information contained on this graphic representation is at the sole risk of the party using or misusing the information.

ATTACHED IMAGES:
ATTACHED XREFS:
RIVERSIDE, CA



PROJECT NO.	122078
DRAWN:	9/2011
DRAWN BY:	DMF
CHECKED BY:	BB
FILE NAME:	122078-F1.dwg

BORING LOCATION MAP
NORTH LEA SITE NMOCD - NEW MEXICO OIL CONSERVATION DIVISION CROSS ROADS, NEW MEXICO

FIGURE

2

LABOR FEE
Crossroads Phase II

LABOR CATEGORY	11 - Senior Professional	6 - Technician III	9 - Staff Professional II	8 - Staff Professional I	7 - Drafter	6 - Administrative II	12 - Principal Professional				TOTAL HOURS	TOTAL TASK DIRECT LABOR	TOTAL TASK FEE
	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time						
<i>Labor Factor</i>													
<i>Direct Labor Rate (\$/hr)</i>	\$41.39	\$18.37	\$31.73	\$26.97	\$22.93	\$18.37	\$51.63	\$0.00	\$0.00	\$0.00			
<i>Billing rate (\$/hr)</i>	\$114.00	\$63.00	\$94.00	\$83.00	\$64.00	\$69.00	\$171.00	\$0.00	\$0.00	\$0.00			
Task 1 Project Setup	8					4					12	\$404.62	\$1,188.00
Task 2 Field Investigation	24										24	\$993.46	\$2,736.00
Task 3 Report Preparation	24				4	8	2				38	\$1,335.38	\$3,886.00
Task 4											0	\$0.00	\$0.00
Task 5											0	\$0.00	\$0.00
Task 6											0	\$0.00	\$0.00
Task 7											0	\$0.00	\$0.00
Task 8											0	\$0.00	\$0.00
Task 9											0	\$0.00	\$0.00
Task 10											0	\$0.00	\$0.00
LABOR HOURS	56	0	0	0	4	12	2	0	0	0	74		
DIRECT LABOR FEE	\$2,318	\$0	\$0	\$0	\$92	\$220	\$103	\$0	\$0	\$0		\$2,733	
LOADED LABOR FEE	\$6,384	\$0	\$0	\$0	\$256	\$828	\$342	\$0	\$0	\$0			\$7,810

USAGES AND ODCS

Crossroads Phase II

ODC Category	Per Diem 1	Per Diem 1	Misc Field Equip	Exp Field Equip	Mileage	ODC 6	ODC 7	ODC 8	ODC 9	ODC 10	TOTAL ODCs	ODC BUDGET	
	Unit	Per Day											
	Cost rate (\$/unit)	\$120.00	\$20.00	\$20.00	\$20.00	\$0.50	\$0.00	\$0.00	\$0.00	\$0.00			\$0.00
	Billing rate (\$/unit)	\$140.00	\$40.00	\$75.00	\$150.00	\$0.79	\$0.00	\$0.00	\$0.00	\$0.00			\$0.00

Task 1 Project Setup											\$0.00	\$0.00
Task 2 Field Investigation	2	2	2	2	700						\$710.00	\$1,363.00
Task 3 Report Preparation											\$0.00	\$0.00
Task 4											\$0.00	\$0.00
Task 5											\$0.00	\$0.00
Task 6											\$0.00	\$0.00
Task 7											\$0.00	\$0.00
Task 8											\$0.00	\$0.00
Task 9											\$0.00	\$0.00
Task 10											\$0.00	\$0.00

TOTAL UNITS	2	2	2	2	700	0	0	0	0	0		
DIRECT COST	\$240.00	\$40.00	\$40.00	\$40.00	\$350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$710.00	
BILLING AMOUNT	\$280.00	\$80.00	\$150.00	\$300.00	\$553.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Mark up (%)												
BUDGET AMOUNT	\$280.00	\$80.00	\$150.00	\$300.00	\$553.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$1,363.00

SUBCONSULTANT AND SUBCONTRACTOR FEE
Crossroads Phase II

SUBCONSULTANT OR SUBCONTRACTOR	Hall Environmental	EnviroDrill	NAME	TOTAL COST	TOTAL MARKED UP SUBS							
Task 1 Project Setup	\$2,200.00	\$11,415.00									\$13,615.00	\$13,615.00
Task 2 Field Investigation											\$0.00	\$0.00
Task 3 Report Preparation											\$0.00	\$0.00
Task 4											\$0.00	\$0.00
Task 5											\$0.00	\$0.00
Task 6											\$0.00	\$0.00
Task 7											\$0.00	\$0.00
Task 8											\$0.00	\$0.00
Task 9											\$0.00	\$0.00
Task 10											\$0.00	\$0.00
DIRECT COST	\$2,200.00	\$11,415.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,615.00	
Mark up (%)												
MARKED UP COST	\$2,200.00	\$11,415.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$13,615.00

PROJECT SUMMARY

Crossroads Phase II

TASK	HOURS	LABOR BUDGET	ODC BUDGET	SUB BUDGET	TOTAL
Task 1 Project Setup	12	\$1,188.00	\$0.00	\$13,615.00	\$14,803.00
Task 2 Field Investigation	24	\$2,736.00	\$1,363.00	\$0.00	\$4,099.00
Task 3 Report Preparation	38	\$3,886.00	\$0.00	\$0.00	\$3,886.00
Task 4	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 5	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 6	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 7	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 8	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 9	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 10	0	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	74	\$7,810.00	\$1,363.00	\$13,615.00	\$22,788.00



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: 0000055729
KLEINFELDER WEST INC
9019 WASHINGTON NE BUILDING A
ALBUQUERQUE NM 87113

Purchase Order 52100-0000033898	Date 12/15/2011	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: CON **Exc\Excl #:**

Line-Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
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1- 1	Soil assessment at North Joint Venture site northeast of Crossroads, NM.		1.00	EA	28,040.63	28,040.63	12/15/2011
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52100-31100-0710000000-535300- -0750- - -112-10000

Schedule Total 28,040.63

Contract ID: 10-805-00-07208AD Contract Line: 0 Release: 0

Item Total 28,040.63

Price Agreement 10-805-00-07208
Expires August 15, 2012

Total PO Amount 28,040.63

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>

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Wednesday, March 28, 2012 2:31 PM
To: Sean Grossetete (Sean@enviroworksforyou.com)
Cc: Griswold, Jim, EMNRD
Subject: North Lea and Hutcherson RFQs
Attachments: Hutcherson RFQ.pdf; North Lea RFQ.pdf

Sean,

Please see the attached Request for Quotes for the North Lea and Hutcherson sites that we visited on Tuesday, March 20, 2012. Please feel free to call me if you have any questions.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x256
f | 505.344.1711
c| 505.401.1955



REQUEST FOR QUOTE

Project Name: North Lea Joint Venture Former Reserve Pit

Project Location: Northeast of Crossroads, New Mexico

Project Description: Backfilling of a former reserve pit

Project Location and Description

The Subject Site is located approximately 2 miles northeast of Crossroads, New Mexico (see Figure 1, Site Location Map). It consists of an abandoned crude oil reserve pit that is surrounded by an earthen berm. It is the intent of the NMOCD to close out this former reserve pit.

The former reserve pit is approximately 80 feet (ft) long by 80 ft wide (see Figure 2, Boring Location Map). The earthen berm varies in height from approximately 3 to 6 ft high. It is approximately 25 ft wide at the base and 7 to 10 ft wide at the top. The former reserve pit is currently surrounded by a 4-wire barbed-wire fence. A gate is located along the western side of the former reserve pit. It appears that a portion of the western berm was pushed into the former reserve pit and may have been moved to provide access for a piece of equipment, possibly a drill rig.

An area of stained soil is also present on the property (see Figure 2). Historical aerial photographs of the site indicate that an above ground storage tank (AST) was located in this area. The stained soil area appears to be approximately 15 feet by 15 feet in size. Stained soil located in this area will be excavated and disposed of along with the former reserve pit material.

Project History

A limited Phase II Environmental Site Assessment (Phase II) was performed at the site in February 2012. The Phase II consisted of advancing three borings at the Subject Site to assess the horizontal and vertical profile of TPH and chloride concentrations. The first boring was drilled within the former reserve pit in an area where the berm was removed. Two additional borings were drilled northeast and southeast of the corners of the former reserve pit.

The results of the Phase II indicated the following:

- Concentrations of TPH appeared to have migrated vertically, but not horizontally since they do not appear to extend laterally beyond the boundaries of the former reserve pit; and
- Concentrations of chlorides appear to have migrated vertically as well as horizontally at depth.

Migration of the TPH and chloride concentrations is most likely caused by the migration of meteoric waters through the former reserve pit material and into the subsurface.

The analytical results from the pit sample did not indicate the presence of volatile organic compounds or the presence of gasoline-range TPH. This may be the result of degradation and volatilization of these compounds due to the age of the former reserve pit.

A volumetric estimate of the berm materials indicates that there are approximately 2400 cubic yards (yd³) of available backfill soil on site. The berm is currently stabilized with native vegetation, a good indication that the material is suitable for use as a top soil.

Soil samples have been collected for analysis of naturally occurring radioactive materials (NORM). Currently, there is no reason to believe that NORM is present. However, if the analytical data indicates the presence of NORM, the scope of work will be revised accordingly.

Scope of Work

A NMOCD representative (if available), Kleinfelder and the selected contractor employees will mobilize to the site to perform the Site restoration activities. Prior to performing site work, a Kleinfelder representative will brief the contractor employees on site conditions as part of the initial tailgate safety meeting. Also discussed during the tailgate safety meeting will be the HASP, applicable JSA's, and stop work authority (SWA). Tailgate safety meetings will be conducted daily at the beginning of the day and as conditions change. The scope of work is as follows:

- The former reserve pit contents shall be excavated to a depth of approximately 10 ft below the top of the existing material. Removal of this amount will allow for some mixing of berm soil into the former reserve pit material to increase stability and workability. This volume has been estimated at approximately 3600 yd³ (including a swell factor of 50%). These materials should be disposed of in a nearby landfarm or landfill (depending on acceptability criteria and proximity to the site).
- The stained soil area shall be excavated for disposal at a landfarm or landfill. Assume an area to be excavated to a maximum extent of 20 ft by 20 ft by 20 ft deep. The maximum amount to be excavated would be approximately 450 yd³, including a swell factor of 50%. Soils shall be field screened during excavation. If field screening samples indicate that soils are below regulatory levels, excavation would halt to minimize the amount of soil to be excavated. Final excavation depths will be confirmed with laboratory analytical data.
- A 40 mil polyethylene liner shall be placed in the bottom of both excavations. Liner seams shall be overlapped a minimum of 24 inches. The liner to be placed in the former reserve pit shall be a minimum of 90 ft by 90 ft, overlapping the former reserve pit materials by a minimum of 5 ft. Each liner shall be placed

without rips or tears. A minimum of 1 foot of clean sand shall be placed over each liner to prevent damage during backfilling.

- Each excavation will be backfilled to grade using the berm material. The backfill material shall be wheel-roll compacted using the on-site equipment.
- After the completion of the backfill activities, the former reserve pit and stained soil areas will be reseeded with a seed mix and rate that is approved by the New Mexico State Land Office. Seed can be hand raked into place, but must be mulched. Upon completion of the seed planting process, each reseeded area will be watered to promote plant growth. The contractor will use a water truck and a hose (at low pressure to prevent movement of the seed) to apply the water to the planted areas one time only. Water is not available and will need to be hauled to the site.
- All fence materials shall be removed from the Subject Site and properly disposed of.

Contractor requirements

- Crew must be 40 Hour HAZWOPER trained.
- Short Service Employees (SSE) (less than 6 months with current company) must be identified.
- Workforce can not be made up of greater than 50% Short Service Employees.
- Contractor Company must supply and crew must wear standard Personal Protective Equipment (PPE) while on site, consisting of Hardhat, Safety glasses, safety toed boots, and gloves.
- All personnel, heavy equipment and materials will be supplied by the contractor company.
- Contractor with winning bid will be required to develop Job Safety Analysis (JSA's) for each task performed.
- Contractor must understand that all personnel (NMOCD, Kleinfelder, and contractor) have the right and responsibility to stop work if any unsafe conditions are observed. All stop work issues will be resolved before work continues.

Closing

A site visit that included a contractor and Kleinfelder representative was performed on March 20, 2012. Bids are to be submitted as a lump sum and will be due to the Kleinfelder Albuquerque office no later than 5:00 PM Monday April 9, 2012. Please provide any analytical required that the landfill or landfarm may have. If you have any questions regarding this Request for Quote, please contact Bernard Bockisch with Kleinfelder, Inc. at (505) 344-7373.

Respectfully submitted,
KLEINFELDER WEST, INC.



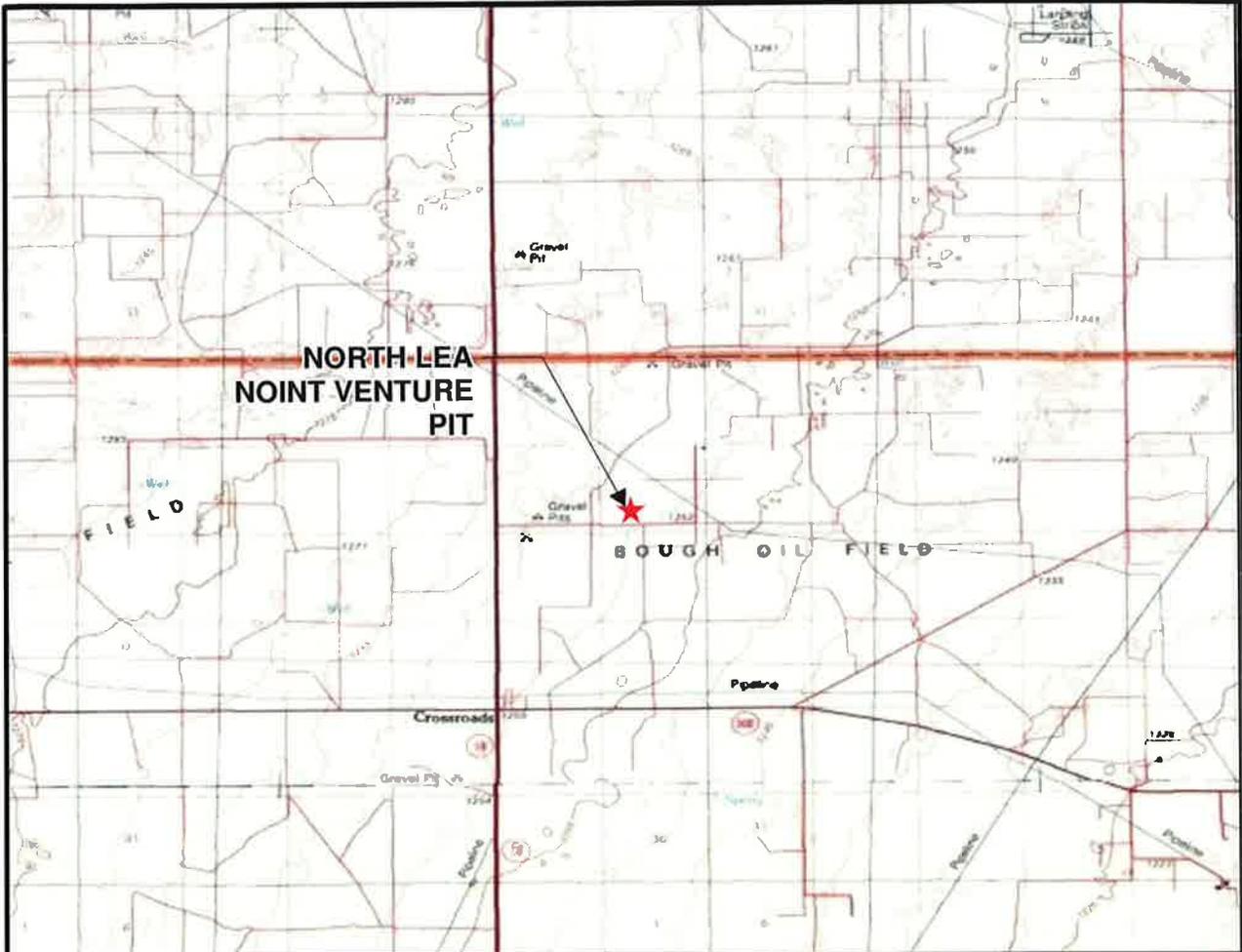
Bernard Bockisch, P.M.P.
Senior Project Manager

Reviewed by:

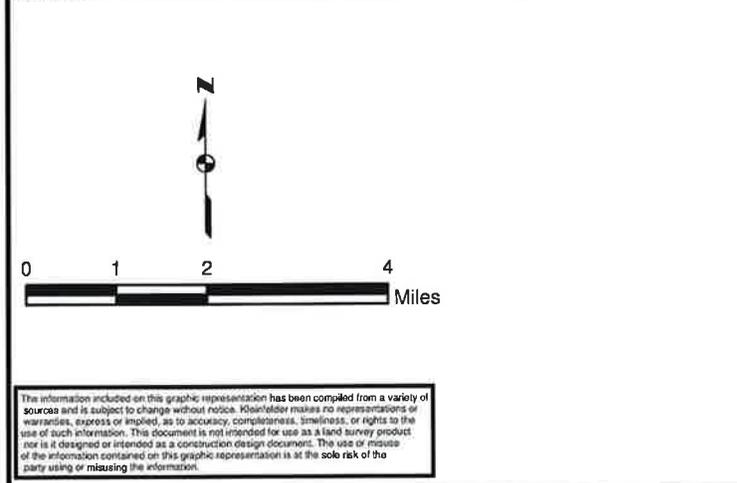


Barbara Everett, P.G.
Program Manager

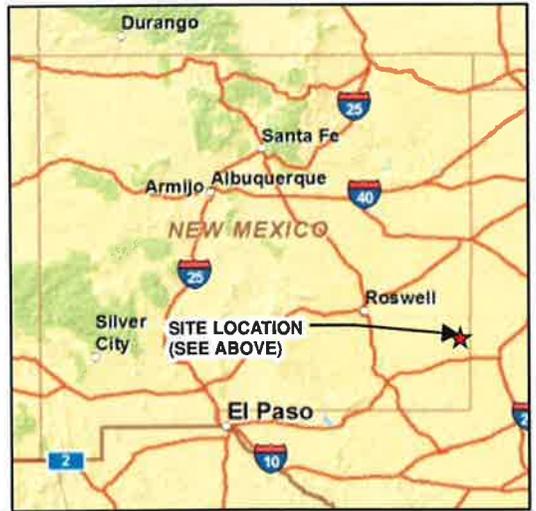
Attachments: Figure 1 – Site Location Map
 Figure 2 – Boring Location Map



SOURCES: http://services.arcgisonline.com/ArcGIS/rest/services/NGS_Topo_US_2D/MapServer



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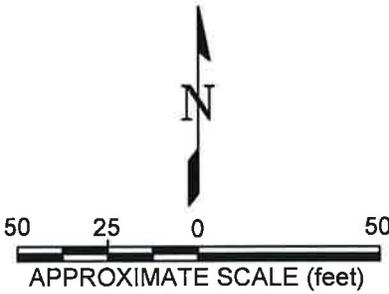
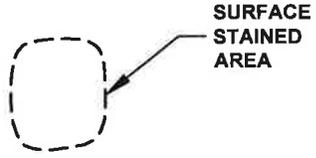
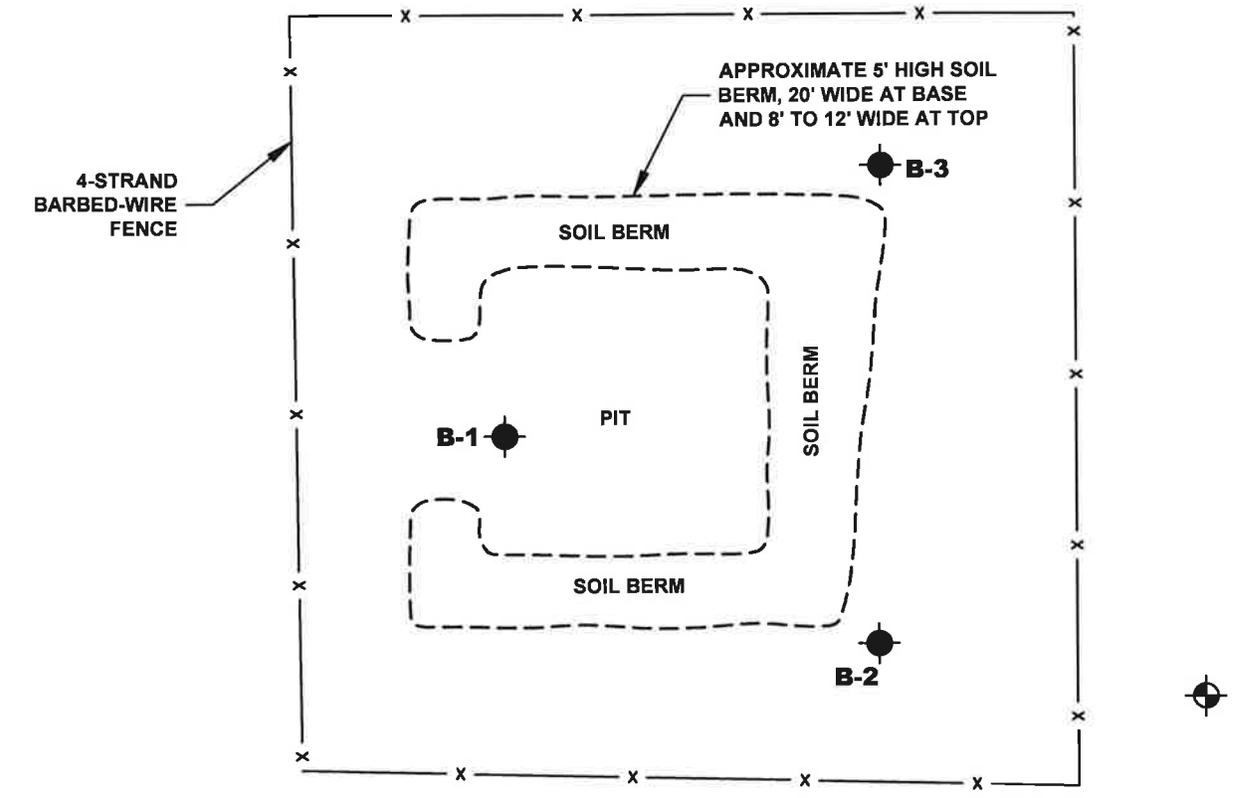
	PROJECT NO. 1220708	SITE LOCATION MAP	FIGURE 1
	DRAWN: 02/06/2012		
	DRAWN BY: PD	NORTH LEA JOINT VENTURE PIT 2.6 MILES NW OF CROSSROADS, NM LEA COUNTY, NEW MEXICO	
	CHECKED BY: BB		
FILE NAME: 122078_SL.mxd			

PLOTTED: 25 Oct 2011, 8:56am, dfahrney

CAD FILE: L:\2011\CADD\122078\ LAYOUT: Layout1

4-STRAND
BARBED-WIRE
FENCE

APPROXIMATE 5' HIGH SOIL
BERM, 20' WIDE AT BASE
AND 8' TO 12' WIDE AT TOP



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LEGEND

-  APPROXIMATE MONITORING WELL LOCATION
- B-3**  PROPOSED BORING LOCATION

ATTACHED IMAGES:
ATTACHED XREFS:
RIVERSIDE, CA



PROJECT NO.	122078
DRAWN:	9/2011
DRAWN BY:	DMF
CHECKED BY:	BB
FILE NAME:	122078-F1.dwg

BORING LOCATION MAP

NORTH LEA SITE
NMOCD - NEW MEXICO OIL CONSERVATION DIVISION
CROSS ROADS, NEW MEXICO

FIGURE
2



April 16, 2012
File No. 122078.2-ALB12WP001

Mr. Jim Griswold
New Mexico Oil Conservation Division
1200 South St. Francis Drive
Santa Fe, New Mexico 87505

**Subject: Work Plan to Remediate a Former Reserve Pit
North Lea Joint Venture Site
Crossroads, New Mexico**

Dear Mr. Griswold:

Kleinfelder West, Inc. (Kleinfelder) is pleased to submit this work plan to the New Mexico Oil Conservation Division (NMOCD) to perform remediation of a former reserve pit located at the above referenced property (the "Site").

The Site is located approximately 2 miles northwest of Crossroads, New Mexico (see Figure 1, Site Location Map). The Site consists of an abandoned crude oil pit that is surrounded by an earthen berm (See Figure 2, Site Plan). It is the intent of the NMOCD to close out this pit. The purpose of this work plan is to describe remediation activities that are proposed for the former reserve pit. The property is privately owned by Mrs. Kileen Bresenham.

SCOPE OF WORK

The reserve pit is approximately 80 feet (ft) by 80 ft in size. The depth is unknown. Hydrocarbon-impacted materials within the reserve pit and an adjacent stained area will be excavated and disposed of at an off-site facility. Each excavation will be backfilled to within 4 feet of ground surface and a liner will be placed in the excavation. After liner installation, the remainder of the excavation will be backfilled to grade. Each area will be reseeded.

Details on the remediation are detailed below. Kleinfelder received cost estimates from two remediation contractors, Gandy Corporation and EnviroWorks, LLC. Both firms are experienced remediation contractors and have performed projects in the vicinity of the site. Based on a review of their bids, Kleinfelder recommends that EnviroWorks perform the contractor work based on the prices provided. Copies of the bids are attached to this work plan.

Project History

A limited Phase II Environmental Site Assessment (Phase II) was performed at the site in February 2012. The Phase II consisted of advancing three borings at the Subject Site to assess the horizontal and vertical profile of TPH and chloride concentrations. The first boring was drilled within the former reserve pit in an area where the berm was removed. Two additional borings were drilled northeast and southeast of the corners of the former reserve pit.

The results of the Phase II indicated the following:

- Concentrations of TPH appeared to have migrated vertically, but not horizontally since they do not appear to extend laterally beyond the boundaries of the former reserve pit; and
- Concentrations of chlorides appear to have migrated vertically as well as horizontally at depth.

The observed TPH and chloride concentrations are most likely caused by the migration of meteoric waters through the former reserve pit material and into the subsurface. The analytical results from the pit sample did not indicate the presence of volatile organic compounds or the presence of gasoline-range TPH. This may be the result of degradation and volatilization of these compounds due to the age of the former reserve pit.

A volumetric estimate of the berm materials indicates that there are approximately 1100 cubic yards (yd³) of available backfill soil on site. The berm is currently stabilized with native vegetation, a good indication that the material is suitable for use as a top soil.

Soil samples have been collected for analysis of naturally occurring radioactive materials (NORM). Results of these samples have not been received at the date of this work plan. Currently, there is no reason to believe that NORM is present. However, if the analytical data indicates the presence of NORM, the scope of work will be revised accordingly.

Task 1 - Project Preparation

This task includes preparing and submitting this work plan and other project preparation activities that occur after work plan approval, but before fieldwork mobilization. After receiving authorization to proceed, Kleinfelder will:

- Obtain a signed access agreement from the property owner;
- Complete the necessary waste characterization documentation for disposal of material to the landfill;
- Develop a Health and Safety Plan (HASP) that addresses field work specified in the Work Plan;
- Develop work orders and contracts for subcontractors;
- Notify New Mexico One-Call to facilitate location of underground utilities and pipelines; and
- Notify the Client a minimum of 24 hours prior to the commencement of remediation activities.

Task 2 – Field Program

A NMOCD representative (if available), Kleinfelder and the selected contractor employees will mobilize to the site to perform a project kickoff meeting. Prior to performing site work, a Kleinfelder representative will brief the contractor employees on site conditions as part of the project kickoff meeting. Also discussed during the project kickoff meeting will be the HASP, applicable JSA's, and stop work authority (SWA).

Tailgate safety meetings will be conducted daily at the beginning of the day and as conditions change. The field program will consist of the following:

- The former reserve pit contents shall be excavated to a depth of approximately 10 ft below the top of the existing material. Removal of this amount of material will allow for some mixing of berm soil into the former reserve pit material to increase stability and workability. This volume has been estimated at approximately 3600 yd³ (including a swell factor of 50%). These materials will be disposed of at the nearby NMOCD-approved Gandy-Marley landfill. Up to 2000 cubic yards of clean backfill soil will be backhauled from the Gandy-Marley landfill. This backhauled clean soil will be used to supplement the on-site berm material for backfill.
- The stained soil area shall also be excavated for disposal. The area to be will be a maximum of 20 ft by 20 ft by 20 ft deep. The maximum amount to be excavated will be approximately 450 yd³, including a swell factor of 50%. Soils shall be field screened during excavation. If field screening samples indicate that soils are below regulatory levels, excavation would halt to minimize the amount of soil to be excavated. Final excavation depths will be confirmed with laboratory analytical data.
- Any on-site drill cuttings that are contained in drums will either be disposed of at the landfill, or used for pit backfill above the liner.
- A 40 mil polyethylene liner shall be placed in the bottom of both excavations. Liner seams shall be overlapped a minimum of 24 inches. The liner to be placed in the former reserve pit shall be a minimum of 90 ft by 90 ft, overlapping the former reserve pit materials by a minimum of 5 ft. Each liner shall be placed without rips or tears. A minimum of 1 foot of clean sand shall be placed over each liner to prevent damage during backfilling.
- Each excavation will be backfilled to grade using the berm material. The backfill material shall be wheel-roll compacted using the on-site equipment.
- After completion of backfill activities, the former reserve pit and stained soil areas will be reseeded with a seed mix and rate that is approved by the New Mexico State Land Office. Seed can be hand raked into place, but must be mulched. Upon completion of the seed planting process, each reseeded area will be watered to promote plant growth. The contractor will use a water truck and a hose (at low pressure to prevent movement of the seed) to apply the water to the planted areas one time only. Water is not available on site and will need to be hauled to the site.
- All fence materials shall be removed from the Site and properly disposed of.

A Kleinfelder representative will be present to observe and document the field activities. The Kleinfelder representative will maintain daily reports of field activities.

Health and Safety Considerations

Personal protective clothing including steel-toed work boots, gloves, safety glasses and hard hats will be required (basic Level D requirements) during all field tasks. Respirators will be on hand in the event they are needed. Kleinfelder will provide a HASP that will be reviewed and signed by on-site Kleinfelder personnel, subcontractors, and authorized visitors.

Quality Assurance/Quality Control

Confirmation sampling will be completed in accordance with our standard Quality Assurance/Quality Control procedures designed to minimize cross-contamination between samples and to provide reliable laboratory results.

Task 3: Reporting

A short letter report summarizing remediation activities will be submitted. The letter report will include a Site description, project history, description of field events, a discussion of results, and recommendations (if any). The report will include:

- A scaled site plan showing the locations of the pit and other site features (including latitude and longitude coordinates);
- Tabulation of field screening and laboratory analytical test results;
- Copies of landfill manifests; and
- Final site photographs.

SCHEDULE

Kleinfelder will begin obtaining site access and preparing project documents upon receipt of your written authorization to proceed. Field work will be scheduled as soon as is feasible based upon receipt of a signed access agreement from the property owner.

PROJECT BUDGET

Our estimated time and materials fee for the scope of work described above is \$242,149.56 (\$226,308 excluding 7% New Mexico Gross Receipts Tax (NMGRT)). A breakdown of the costs is included as an attachment. NMGRT will not be charged if the Client provides us with a non-taxable transaction certificate. Should the NMGRT rate change at the time the work is completed, applicable fee adjustments will be made. A breakdown of the costs is included as an attachment. Pricing is based upon the New Mexico Department of Transportation Price Agreement No. 10-805-00-07208.

CLOSING

Our work will be performed in a manner consistent with that level of care and skill ordinarily exercised by other members of Kleinfelder's profession practicing in the same locality, under similar conditions and at the date the services are provided. Our conclusions, opinions, and recommendations will be based on a limited number of observations and data. It is possible that conditions could vary between or beyond the data evaluated. Kleinfelder makes no guarantee or warranty, express or implied, regarding the services, communication (oral or written), report, opinion, or instrument of service provided.

Acceptance of this work plan will indicate that the NMOCD has reviewed the document and determined that it does not need or want a greater level of service than provided. During the course of the performance of Kleinfelder's services, hazardous materials may be discovered. Kleinfelder will assume no responsibility or liability whatsoever for any expense, claim, loss of property value, damage, or injury that results from or in any way connected with pre-existing hazardous materials being encountered or present on the project site, or from the discovery of such hazardous materials. Notwithstanding

anything contained in this work plan to the contrary, Kleinfelder shall not assume the status of an owner, operator, generator, or person who arranges for disposal, transport, storage, or treatment of hazardous materials within the meaning of any governmental statute, regulation, or order. NMOCD will be solely responsible for notifying all governmental agencies, and the public at large, of the existence, release, treatment, or disposal of any hazardous materials observed at the project site, either before or during performance of Kleinfelder's services. NMOCD will be responsible for all arrangements to lawfully store, treat, recycle, dispose, or otherwise handle hazardous materials, including cuttings and samples resulting from Kleinfelder's services.

This work plan is valid for a period of 45 days from the date of this work plan, unless a longer period is specifically required by the RFP in which case that time frame will apply. This work plan was prepared specifically for the client and its designated representatives and may not be provided to others without Kleinfelder's express permission.

We appreciate the opportunity to provide these services to NMOCD. Should any questions arise concerning this work plan; we will be pleased to discuss them with you.

Respectfully submitted,
KLEINFELDER WEST, INC.

Reviewed by:



Bernard Bockisch, PMP
Senior Project Manager

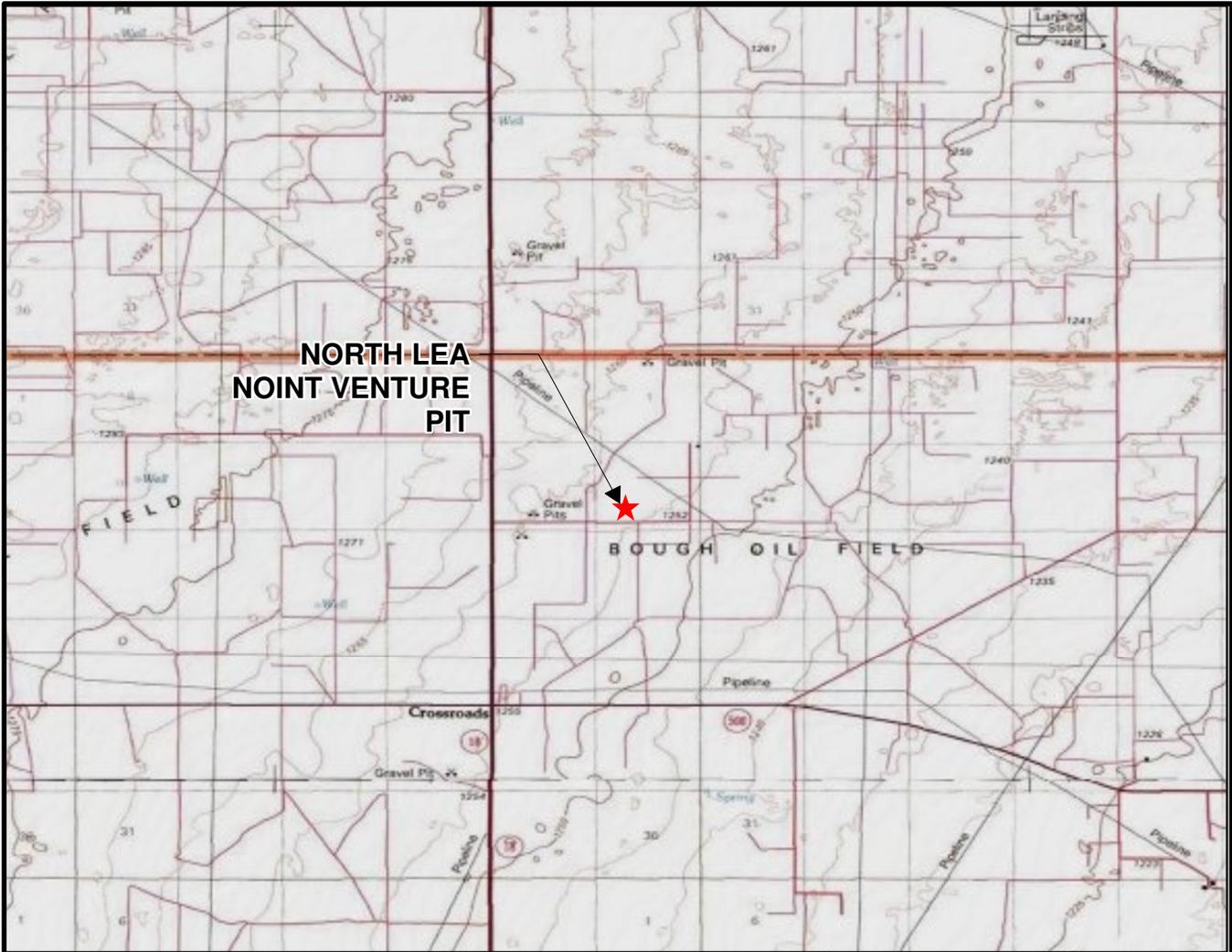


Eileen Shannon, PG
Project Professional

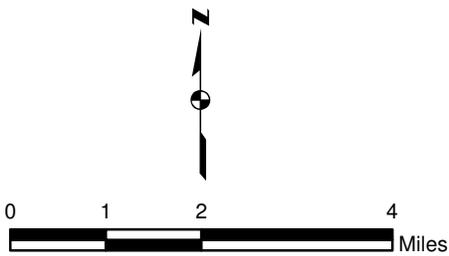
Appendices:

- Figure 1 – Site Location Map
- Figure 2 – Site Plan
- Appendix A – Cost Breakdown
- Appendix B – Contractor's Quotes

FIGURES



SOURCES: http://services.arcgisonline.com/ArcGIS/rest/services/NGS_Topo_US_2D/MapServer



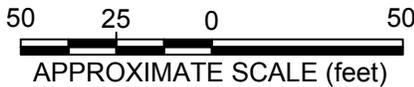
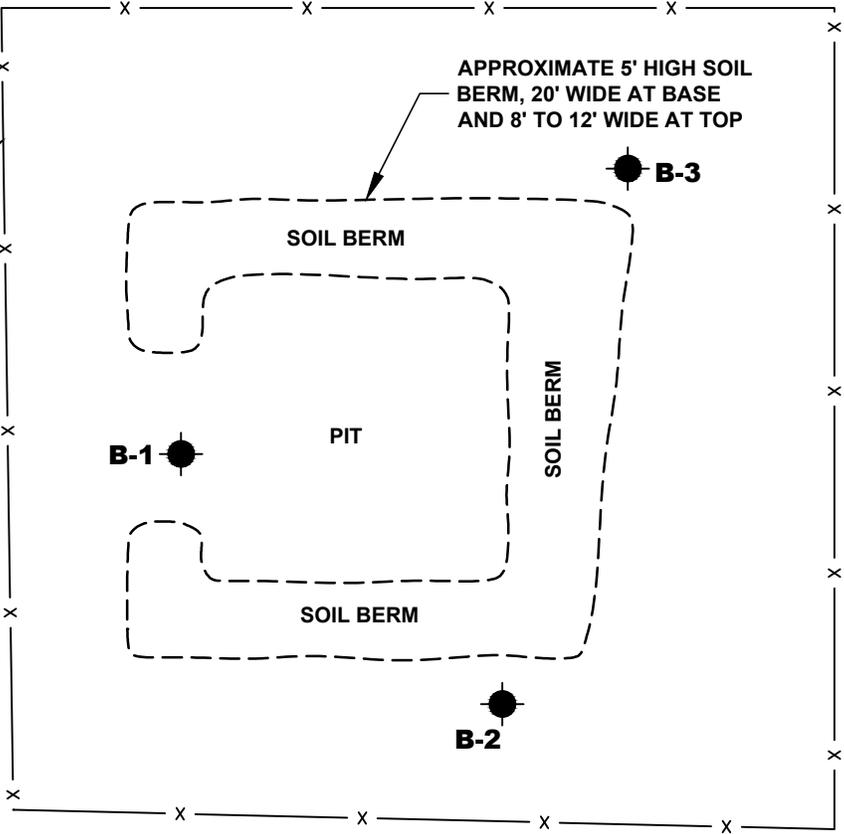
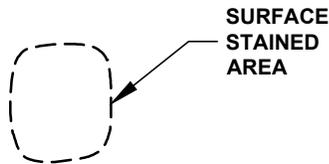
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	PROJECT NO. 1220708	SITE LOCATION MAP	FIGURE 1
	DRAWN: 02/06/2012		
	DRAWN BY: PD	NORTH LEA JOINT VENTURE PIT 2.6 MILES NW OF CROSSROADS, NM LEA COUNTY, NEW MEXICO	
	CHECKED BY: BB		
FILE NAME: 122078_SL.mxd			

4-STRAND
BARBED-WIRE
FENCE

APPROXIMATE 5' HIGH SOIL
BERM, 20' WIDE AT BASE
AND 8' TO 12' WIDE AT TOP



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LEGEND

- APPROXIMATE MONITORING WELL LOCATION
- B-3** APPROXIMATE BORING LOCATIONS
(DRILLED JANUARY 18, 2012)



PROJECT NO.	122078
DRAWN:	9/2011
DRAWN BY:	DMF
CHECKED BY:	BB
FILE NAME:	122078-F1.dwg

<input type="checkbox"/> ITE PLAN
NORTH LEA SITE NMOCD - NEW MEXICO OIL CONSERVATION DIVISION CROSS ROADS, NEW MEXICO

APPENDIX A
Cost Breakdown

LABOR FEE
North Lea Remediation

LABOR CATEGORY	Senior Scientist	Project Scientist	Draftsperson	Administrator	Principal							TOTAL HOURS	TOTAL TASK FEE
	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time	Regular Time				
	<i>Labor Factor</i> <i>Billing rate (\$/hr)</i>	<i>\$114.00</i>	<i>\$114.00</i>	<i>\$94.00</i>	<i>\$64.00</i>	<i>\$69.00</i>	<i>\$171.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	
Task 1 Project Setup and Closure Plan	28		8	4	2							42	\$4,338.00
Task 2 Excavation Management	60	120		8								188	\$21,032.00
Task 3 Closure Report	32		8	8	4							52	\$5,188.00
Task 4												0	\$0.00
Task 5												0	\$0.00
Task 6												0	\$0.00
Task 7												0	\$0.00
Task 8												0	\$0.00
Task 9												0	\$0.00
Task 10												0	\$0.00
LABOR HOURS	120	120	16	20	6	0	0	0	0	0	0	282	
LOADED LABOR FEE	\$13,680	\$13,680	\$1,504	\$1,280	\$414	\$0	\$0	\$0	\$0	\$0	\$0		\$30,558

USAGES AND ODCS
North Lea Remediation

ODC Category	Lodging and Meals	Meals Only	Misc. Field Equip	Exp. Field Equip	Mileage	ODC 6	ODC 7	ODC 8	ODC 9	ODC 10	ODC BUDGET	
	<i>Unit</i>											
	Per Day											
<i>Billing rate (\$/unit)</i>	\$140.00	\$40.00	\$75.00	\$150.00	\$0.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		

Task 1 Project Setup and Closure Plan	15	6	10	10	4,000						\$7,750.00
Task 2 Excavation Management											\$0.00
Task 3 Closure Report											\$0.00
Task 4											\$0.00
Task 5											\$0.00
Task 6											\$0.00
Task 7											\$0.00
Task 8											\$0.00
Task 9											\$0.00
Task 10											\$0.00

TOTAL UNITS	15	6	10	10	4,000	0	0	0	0	0	
BILLING AMOUNT	\$2,100.00	\$240.00	\$750.00	\$1,500.00	\$3,160.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Mark up (%)											
BUDGET AMOUNT	\$2,100.00	\$240.00	\$750.00	\$1,500.00	\$3,160.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,750.00

SUBCONSULTANT AND SUBCONTRACTOR FEE

North Lea Remediation

SUBCONSULTANT OR SUBCONTRACTOR	Hall	EnviroWorks	NAME	TOTAL COST	TOTAL MARKED UP SUBS							
	Environmental											
Task 1 Project Setup and Closure Plan											\$0.00	\$0.00
Task 2 Excavation Management	\$3,000.00	\$185,000.00									\$188,000.00	\$188,000.00
Task 3 Closure Report											\$0.00	\$0.00
Task 4											\$0.00	\$0.00
Task 5											\$0.00	\$0.00
Task 6											\$0.00	\$0.00
Task 7											\$0.00	\$0.00
Task 8											\$0.00	\$0.00
Task 9											\$0.00	\$0.00
Task 10											\$0.00	\$0.00
DIRECT COST	\$3,000.00	\$185,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$188,000.00
Mark up (%)	0.00%	0.00%										
MARKED UP COST	\$3,000.00	\$185,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$188,000.00

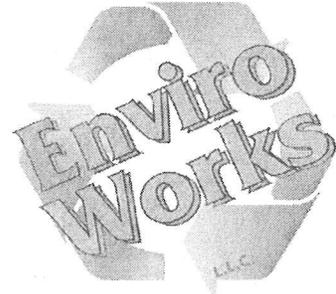
PROJECT SUMMARY
North Lea Remediation

TASK	HOURS	LABOR BUDGET	ODC BUDGET	SUB BUDGET	TOTAL
Task 1 Project Setup and Closure Plan	42	\$4,338.00	\$7,750.00	\$0.00	\$12,088.00
Task 2 Excavation Management	188	\$21,032.00	\$0.00	\$188,000.00	\$209,032.00
Task 3 Closure Report	52	\$5,188.00	\$0.00	\$0.00	\$5,188.00
Task 4	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 5	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 6	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 7	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 8	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 9	0	\$0.00	\$0.00	\$0.00	\$0.00
Task 10	0	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	282	\$30,558.00	\$7,750.00	\$188,000.00	\$226,308.00

APPENDIX B

Contractor's Quotes

Kleinfelder
Attn: Bernard Bockisch
RE: North Lea Joint Venture Former Reserve Pit
Former Hutcherson Crude Oil Reserve Pit



April 2, 2012

Proposal #120402

North Lea Scope:

Reserve Pit: Excavate to a depth of approximately 10' below the top of existing material.

Remove material to nearby landfarm or landfill.

Stained Soil Area: Excavate approx. 20'x20'x20', with field screening during excavation.

40 mil polyethylene liner shall be placed in the bottom of both excavations. A minimum of 1' of clean sand shall be placed over each liner.

Each excavation will be backfilled to grade using berm material and wheel-rolled compacted.

Reseeding of reserve pit and stained area.

Remove and dispose of fence materials.

\$ 180,005.72

Former Hutcherson Scope:

Former Reserve Pit: Backfilled to existing grade. Cliché and top soil provided by others.

Initial backfill to a depth of approx. 5' below existing grade. Backfill material will be wheel-roll compacted.

A 40 mil thick polyethylene will be placed over backfill. A minimum of 12" of clean sand shall be placed over liner.

Reserve pit will be reseeded.

Remove and dispose of fence material.

\$ 63,504.94

TOTAL BID PRICE

\$ 243,510.66

Note:

This price is based on completing both locations simultaneously. If only one location is awarded, a cost increase will occur.

Excludes all soil testing, surveying and SWIPP.

The above price does not include sales tax.

Any utilities encountered that are not spotted by NM One Call or the owner will be the owner's responsibility.

Any repairs to utilities not spotted will be cost +10%.

Any unforeseen costs by the utility companies will be an additional charge.

Pricing good for 30 days.

Approved: _____ Date: _____

Please feel free to contact us if you have any questions at 505-286-4891 or by email at

bart@enviroworksforyou.com, sean@enviroworksforyou.com

EnviroWorks, LLC

PO Box 340 21 Main Street Suite 203, Edgewood, NM 87015 Phone: (505) 286-4891 Fax: (505) 286-4965

EIN: 85-0460740 CRS: 02-397513-00-0 License: 81818

E-mail: lisa@enviroworksforyou.com

Gandy Corporation
P.O. Box 2140
Lovington, NM 88260

April 2, 2012

Kleinfelder
Att: Bernard Bockisch
Cell: (505)344-7373

Dear: Bernard

Gandy Corporation would like to take this opportunity to submit a quote to work on your **North Lea RFQ**. Pdf location as follows:

We will furnish equipment and labor to dig up contaminated soil and haul it to GMI dispose of properly, backfill with material on site, install 40 mil liner, backfill to grade, haul off drums, fence and pipe, seed and water site.

Sub total:	\$ 199,475.00
Tax:	\$ 10,971.13
Total:	\$ 210,446.13

This quote is base on hauling off about 4,085 yards to GMI disposal; bring back 2000 yards of sand to backfill.

This quote is good for 30 days from the date written.

Can start on 4-18-12

If we can be of further service to you, please do not hesitate to call us at any time at (575)396-4948.

Sincerely,

Joel Munoz

Griswold, Jim, EMNRD

From: Kylene B <eklb2001@yahoo.com>
Sent: Thursday, April 19, 2012 7:24 AM
To: Earlene; Ella Helms; Sheryl Lovejoy
Cc: Griswold, Jim, EMNRD
Subject: Fw: Workplan for old well site cleanup
Attachments: 122078.2-ALB12WP001 Rev. 0.pdf

Hello,

Holmes had been working off and on for several years with the State, specifically the New Mexico Oil Conservation Division, to reclaim an old well site that was being monitored by the OCD through a test well nearby. Finally, the money was released to do a study of the site and potential remediation through the efforts of the Hobbs OCD office under the direction of Jim Griswold, Senior Hydrologist in Santa Fe. We have received a copy of the complete study today from Mr. Griswold which I am sending to all of you.

The attachment from Mr. Griswold is a specific plan for the remediation procedures that are approved by the OCD. Before the work can begin, the company, Kleinfelder West, Inc., requires a signed access agreement from the property owner. The company will send the access agreement to the OCD for its attorneys to review and approve before Mr Griswold sends it on for your review and approval.

Mr. Griswold as the hydrologist is coordinating the project. He is very willing to discuss any questions you may have. He appears to be a very trustworthy and concerned person. The finished project is costing around \$250,000, more or less. Please feel free to contact Mr. Griswold at 505-476-3465 if you have questions after studying the attached work plan for remediation. He stressed to me that the project on Holmes' land is one of 2 projects being remediated, and the OCD will not be doing any others in the near future because the price for remediation is skyrocketing. (The other project is on Shannon Kizer's land.) The site will continue to be monitored after remediation.

Thanks for your cooperation in helping Holmes complete this project. He would have been very happy about this being completed after all of these years.

Earlene, I hope your health is continuing to improve. Best wishes to all.

Sincerely,

Kylene

----- Forwarded Message -----

From: "Griswold, Jim, EMNRD" <Jim.Griswold@state.nm.us>
To: Kylene Bresenham <eklb2001@yahoo.com>
Sent: Wednesday, April 18, 2012 10:52 AM
Subject: Workplan for cleanup

Ms. Bresenham,

See attached. Feel free to call with any questions. Thanks again for all your help and patience.

Jim Griswold
Senior Hydrologist
EMNRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us



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: 0000055729
KLEINFELDER WEST INC
9019 WASHINGTON NE BUILDING A
ALBUQUERQUE NM 87113

Purchase Order 52100-0000035185	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
----------	------------------	--------	----------	-----	----------	--------------	----------

1- 1	Excavation, Backfilling and re-seeding of a former reserve pit at North Lea Joint Venture site near Crossroads, NM.		1.00	EA	278,471.99	278,471.99	04/23/2012
------	---------------------------------------------------------------------------------------------------------------------	--	------	----	------------	------------	------------

52100-31100-0710000000-535300- -0750- - -112-10000

Schedule Total 278,471.99

Contract ID: 10-805-00-07208AD

Contract Line: 0 Release: 0

Item Total 278,471.99

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

Total PO Amount 278,471.99

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>

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Sunday, April 29, 2012 6:17 AM
To: Griswold, Jim, EMNRD
Subject: RE: North Lea and Hutcherson
Attachments: IMG-20110919-00041.jpg; IMG-20110919-00042.jpg; IMG-20110919-00043.jpg; IMG-20110919-00044.jpg

Jim,

We can certainly provide more information on the topsoil, if she would like. I would need to track down a soil scientist (we have a few in the company) and collect samples of the soil and have them analyzed at a lab. It may take 2 to 4 weeks to get results back and perform analysis.

One sure way of determining if the material will support plant growth is to see how it's doing now. I've included pictures of the berm material at North Lea as it exists now. There are some areas that are poorly vegetated because they have been disturbed and have not been reseeded. With the exception of the disturbed areas, the berm is vegetated and stable. I assume this occurred naturally (i.e. without someone seeding the berm). So, I would think that the material would be acceptable to a native seed mix (we intend to use a native seed mix that will be recommended/approved by the BLM).

Unfortunately, I don't have photographs of the Pruett pit material. However, I do remember from my site visit that the material was well stabilized with native vegetation. The topsoil material was pushed up to the sides of the pit and this material appeared darker and of pretty good quality. I remember thinking at the time of the site visit that the material would make good topsoil (well, as good as can be found in that area). Mostly because of the amount of vegetation growing in it. Maybe Maxey can take some photos of the pit to confirm my recollections.

Let me know what you'd like us to do.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x256
f | 505.344.1711
c| 505.401.1955

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Wednesday, April 25, 2012 11:07 AM
To: Bernie Bockisch
Subject: North Lea and Hutcherson

Bernie,

Give me a call when you get back in to work. The director is requiring more specificity on the quality of the topsoil before she will approve the workplan.

Jim Griswold

Senior Hydrologist

EMNRD/Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

505.476.3465

email: jim.griswold@state.nm.us

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Monday, April 30, 2012 12:36 PM
To: Griswold, Jim, EMNRD
Subject: North Lea and Hutcherson Site Top Soil

Jim,

During backfill operations to be performed at the North Lea and Hutcherson sites, Kleinfelder will make sure that the uppermost 4 feet of backfill for each location will be topsoil from a source within the general area, free of chloride and hydrocarbon contamination, and with some reasonable indication that it should support vegetation.

Let me know if you have any questions or need additional information.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x256
f | 505.344.1711
c| 505.401.1955

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Monday, May 07, 2012 9:45 AM
To: Griswold, Jim, EMNRD
Subject: FW: North Lea - 1203847
Attachments: Rpt_1203847_v1.pdf

Jim,

Attached are the results from the Naturally Occurring Radioactive Materials (NORM) samples that we took. The Radium 226 results are all below 30 picocuries/gram (pCi/g) and the rest are below 150 pCi/g as required by NMAC 20.3.14.1403(A). Based on this, the materials in the North Lea Pit should be unregulated for NORM.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x256
f | 505.344.1711
c| 505.401.1955

From: Vickie Brown [<mailto:vickie@hallenvironmental.com>]
Sent: Tuesday, May 01, 2012 11:32 AM
To: Bernie Bockisch
Subject: North Lea - 1203847

Thank you for your business.

Vickie Brown
Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
505-345-3975
505-345-4107 fax
www.hallenvironmental.com



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: www.hallenvironmental.com

Bernard Bockisch
Kleinfelder
9019 Washington NE Building A
Albuquerque, NM 87113
TEL: (505) 344-7373
FAX: (505) 344-1711

RE: North LEA

OrderNo.: 1203847

Dear Bernard Bockisch:

Hall Environmental Analysis Laboratory received 2 sample(s) on 3/22/2012 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. All samples are reported as received unless otherwise indicated.

Please don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman", is written over a light blue horizontal line.

Andy Freeman
Laboratory Manager
4901 Hawkins NE
Albuquerque, NM 87109

April 30, 2012

Ms. Anne Thorne
Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109

RE: Project: 1203847
Pace Project No.: 3065761

Dear Ms. Thorne:

Enclosed are the analytical results for sample(s) received by the laboratory on March 23, 2012. The results relate only to the samples included in this report. Results reported herein conform to the most current TNI standards and the laboratory's Quality Assurance Manual, where applicable, unless otherwise noted in the body of the report.

If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Carin Ferris

carin.ferris@pacelabs.com
Project Manager

Enclosures



REPORT OF LABORATORY ANALYSIS

This report shall not be reproduced, except in full,
without the written consent of Pace Analytical Services, Inc..

CERTIFICATIONS

Project: 1203847
Pace Project No.: 3065761

Pennsylvania Certification IDs

1638 Roseytown Rd Suites 2,3&4 Greensburg, PA 15601
ACCLASS DOD-ELAP Accreditation #: ADE-1544
Alabama Certification #: 41590
Arizona Certification #: AZ0734
Arkansas Certification
California/TNI Certification #: 04222CA
Colorado Certification
Connecticut Certification #: PH 0694
Delaware Certification
Florida/TNI Certification #: E87683
Guam/PADEP Certification
Hawaii/PADEP Certification
Idaho Certification
Illinois/PADEP Certification
Indiana/PADEP Certification
Iowa Certification #: 391
Kansas/TNI Certification #: E-10358
Kentucky Certification #: 90133
Louisiana/TNI Certification #: LA080002
Louisiana/TNI Certification #: 4086
Maine Certification #: PA0091
Maryland Certification #: 308
Massachusetts Certification #: M-PA1457

Michigan/PADEP Certification
Missouri Certification #: 235
Montana Certification #: Cert 0082
Nevada Certification
New Hampshire/TNI Certification #: 2976
New Jersey/TNI Certification #: PA 051
New Mexico Certification
New York/TNI Certification #: 10888
North Carolina Certification #: 42706
Oregon/TNI Certification #: PA200002
Pennsylvania/TNI Certification #: 65-00282
Puerto Rico Certification #: PA01457
South Dakota Certification
Tennessee Certification #: TN2867
Texas/TNI Certification #: T104704188
Utah/TNI Certification #: ANTE
Virgin Island/PADEP Certification
Virginia Certification #: 00112
Virginia VELAP (Cert # 460198)
Washington Certification #: C868
West Virginia Certification #: 143
Wisconsin/PADEP Certification
Wyoming Certification #: 8TMS-Q

REPORT OF LABORATORY ANALYSIS

Page 2 of 12

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SAMPLE SUMMARY

Project: 1203847
Pace Project No.: 3065761

Lab ID	Sample ID	Matrix	Date Collected	Date Received
3065761001	1203847-001A NL1-3/20/12	Solid	03/20/12 12:10	03/23/12 09:45
3065761002	1203847-002A NL2-3/20/12	Solid	03/20/12 12:23	03/23/12 09:45

REPORT OF LABORATORY ANALYSIS

SAMPLE ANALYTE COUNT

Project: 1203847
Pace Project No.: 3065761

Lab ID	Sample ID	Method	Analysts	Analytes Reported
3065761001	1203847-001A NL1-3/20/12	EPA 900.0m	JC2	2
		EPA 901.1m	AEH	10
		RP280m DOE Method	LAL	1
3065761002	1203847-002A NL2-3/20/12	EPA 900.0m	JC2	2
		EPA 901.1m	AEH	10
		RP280m DOE Method	LAL	1

REPORT OF LABORATORY ANALYSIS

PROJECT NARRATIVE

Project: 1203847
Pace Project No.: 3065761

Method: EPA 900.0m
Description: 900.0 Gross Alpha/Beta
Client: Hall Environmental Analysis Laboratory
Date: April 30, 2012

General Information:

2 samples were analyzed for EPA 900.0m. All samples were received in acceptable condition with any exceptions noted below.

Hold Time:

The samples were analyzed within the method required hold times with any exceptions noted below.

Method Blank:

All analytes were below the report limit in the method blank with any exceptions noted below.

Laboratory Control Spike:

All laboratory control spike compounds were within QC limits with any exceptions noted below.

Matrix Spikes:

All percent recoveries and relative percent differences (RPDs) were within acceptance criteria with any exceptions noted below.

Duplicate Sample:

All duplicate sample results were within method acceptance criteria with any exceptions noted below.

Additional Comments:

Sample Comments:

The LCS for Lead-210 associated with this batch failed high. The acceptable limit for the LCS percent recovery is 125% and the obtained recovery for the LCS was 126.44%, all other QC criteria was acceptable.

- 1203847-001A NL1-3/20/12 (Lab ID: 3065761001)

Analyte Comments:

QC Batch: RADC/11531

N2: The lab does not hold TNI accreditation for this parameter.

- 1203847-001A NL1-3/20/12 (Lab ID: 3065761001)
 - Gross Alpha
 - Gross Beta
- 1203847-002A NL2-3/20/12 (Lab ID: 3065761002)
 - Gross Alpha
 - Gross Beta
- BLANK (Lab ID: 422941)
 - Gross Alpha
 - Gross Beta

REPORT OF LABORATORY ANALYSIS

PROJECT NARRATIVE

Project: 1203847

Pace Project No.: 3065761

Method: EPA 901.1m

Description: 901.1 Gamma Spec

Client: Hall Environmental Analysis Laboratory

Date: April 30, 2012

General Information:

2 samples were analyzed for EPA 901.1m. All samples were received in acceptable condition with any exceptions noted below.

Hold Time:

The samples were analyzed within the method required hold times with any exceptions noted below.

Method Blank:

All analytes were below the report limit in the method blank with any exceptions noted below.

Laboratory Control Spike:

All laboratory control spike compounds were within QC limits with any exceptions noted below.

Matrix Spikes:

All percent recoveries and relative percent differences (RPDs) were within acceptance criteria with any exceptions noted below.

Duplicate Sample:

All duplicate sample results were within method acceptance criteria with any exceptions noted below.

Additional Comments:

Sample Comments:

The LCS for Lead-210 associated with this batch failed high. The acceptable limit for the LCS percent recovery is 125% and the obtained recovery for the LCS was 126.44%, all other QC criteria was acceptable.

- 1203847-001A NL1-3/20/12 (Lab ID: 3065761001)

REPORT OF LABORATORY ANALYSIS

PROJECT NARRATIVE

Project: 1203847
Pace Project No.: 3065761

Method: RP280m DOE Method
Description: PGH-R-042 Lead 210
Client: Hall Environmental Analysis Laboratory
Date: April 30, 2012

General Information:

2 samples were analyzed for RP280m DOE Method. All samples were received in acceptable condition with any exceptions noted below.

Hold Time:

The samples were analyzed within the method required hold times with any exceptions noted below.

Method Blank:

All analytes were below the report limit in the method blank with any exceptions noted below.

Laboratory Control Spike:

All laboratory control spike compounds were within QC limits with any exceptions noted below.

Matrix Spikes:

All percent recoveries and relative percent differences (RPDs) were within acceptance criteria with any exceptions noted below.

Duplicate Sample:

All duplicate sample results were within method acceptance criteria with any exceptions noted below.

Additional Comments:

Sample Comments:

The LCS for Lead-210 associated with this batch failed high. The acceptable limit for the LCS percent recovery is 125% and the obtained recovery for the LCS was 126.44%, all other QC criteria was acceptable.

- 1203847-001A NL1-3/20/12 (Lab ID: 3065761001)

Analyte Comments:

QC Batch: RADC/11526

N2: The lab does not hold TNI accreditation for this parameter.

- 1203847-001A NL1-3/20/12 (Lab ID: 3065761001)
 - Lead-210
- 1203847-002A NL2-3/20/12 (Lab ID: 3065761002)
 - Lead-210
- BLANK (Lab ID: 422936)
 - Lead-210

This data package has been reviewed for quality and completeness and is approved for release.

REPORT OF LABORATORY ANALYSIS

ANALYTICAL RESULTS

Project: 1203847
Pace Project No.: 3065761

Sample: 1203847-001A NL1-3/20/12 Lab ID: 3065761001 Collected: 03/20/12 12:10 Received: 03/23/12 09:45 Matrix: Solid
PWS: Site ID: Sample Type:

Results reported on a "dry-weight" basis

Comments: • The LCS for Lead-210 associated with this batch failed high. The acceptable limit for the LCS percent recovery is 125% and the obtained recovery for the LCS was 126.44%, all other QC criteria was acceptable.

Parameters	Method	Act ± Unc (MDC)	Units	Analyzed	CAS No.	Qual
Gross Alpha	EPA 900.0m	-1.100 ± 2.10 (6.00)	pCi/g	04/02/12 07:15	12587-46-1	N2
Gross Beta	EPA 900.0m	2.56 ± 3.32 (6.97)	pCi/g	04/02/12 07:15	12587-47-2	N2
Bismuth-212	EPA 901.1m	-0.130 ± 1.81 (1.36)	pCi/g	04/18/12 10:48	14913-49-6	
Bismuth-214	EPA 901.1m	8.47 ± 0.951 (0.584)	pCi/g	04/18/12 10:48	14733-03-0	
Lead-212	EPA 901.1m	0.230 ± 0.116 (0.179)	pCi/g	04/18/12 10:48	15092-94-1	
Lead-214	EPA 901.1m	8.39 ± 0.954 (0.232)	pCi/g	04/18/12 10:48	15067-28-4	
Potassium-40	EPA 901.1m	4.10 ± 0.970 (0.691)	pCi/g	04/18/12 10:48	13966-00-2	
Radium-226	EPA 901.1m	8.36 ± 0.897 (0.172)	pCi/g	04/18/12 10:48	13982-63-3	
Radium-228	EPA 901.1m	0.0870 ± 0.189 (0.332)	pCi/g	04/18/12 10:48	15262-20-1	
Thallium-208	EPA 901.1m	0.0580 ± 0.0580 (0.0940)	pCi/g	04/18/12 10:48	14913-50-9	
Thorium-234	EPA 901.1m	3.69 ± 4.13 (6.69)	pCi/g	04/18/12 10:48	15065-10-8	
Uranium-235	EPA 901.1m	0.591 ± 0.158 (0.154)	pCi/g	04/18/12 10:48	15117-96-1	
Lead-210	RP280m DOE Method	18.81 ± 2.23 (0.435)	pCi/g	04/29/12 10:14	14255-04-0	N2

Sample: 1203847-002A NL2-3/20/12 Lab ID: 3065761002 Collected: 03/20/12 12:23 Received: 03/23/12 09:45 Matrix: Solid
PWS: Site ID: Sample Type:

Results reported on a "dry-weight" basis

Parameters	Method	Act ± Unc (MDC)	Units	Analyzed	CAS No.	Qual
Gross Alpha	EPA 900.0m	6.99 ± 4.97 (8.26)	pCi/g	04/02/12 07:15	12587-46-1	N2
Gross Beta	EPA 900.0m	4.77 ± 2.69 (4.86)	pCi/g	04/02/12 07:15	12587-47-2	N2
Bismuth-212	EPA 901.1m	0.0350 ± 0.493 (0.922)	pCi/g	04/18/12 11:20	14913-49-6	
Bismuth-214	EPA 901.1m	1.01 ± 0.184 (0.205)	pCi/g	04/18/12 11:20	14733-03-0	
Lead-212	EPA 901.1m	0.428 ± 0.124 (0.121)	pCi/g	04/18/12 11:20	15092-94-1	
Lead-214	EPA 901.1m	0.991 ± 0.172 (0.105)	pCi/g	04/18/12 11:20	15067-28-4	
Potassium-40	EPA 901.1m	7.83 ± 1.32 (0.579)	pCi/g	04/18/12 11:20	13966-00-2	
Radium-226	EPA 901.1m	1.20 ± 0.188 (0.160)	pCi/g	04/18/12 11:20	13982-63-3	
Radium-228	EPA 901.1m	0.554 ± 0.184 (0.212)	pCi/g	04/18/12 11:20	15262-20-1	
Thallium-208	EPA 901.1m	0.202 ± 0.0710 (0.0630)	pCi/g	04/18/12 11:20	14913-50-9	
Thorium-234	EPA 901.1m	0.291 ± 0.431 (3.62)	pCi/g	04/18/12 11:20	15065-10-8	
Uranium-235	EPA 901.1m	0.0810 ± 0.0630 (0.1000)	pCi/g	04/18/12 11:20	15117-96-1	
Lead-210	RP280m DOE Method	1.180 ± 0.355 (0.504)	pCi/g	04/29/12 10:12	14255-04-0	N2

QUALITY CONTROL DATA

Project: 1203847
Pace Project No.: 3065761

QC Batch: RADC/11487 Analysis Method: EPA 901.1m
QC Batch Method: EPA 901.1m Analysis Description: 901.1 Gamma Spec
Associated Lab Samples: 3065761001, 3065761002

METHOD BLANK: 421427 Matrix: Solid
Associated Lab Samples: 3065761001, 3065761002

Parameter	Act ± Unc (MDC)	Units	Analyzed	Qualifiers
Bismuth-212	-0.002 ± 0.463 (0.839)	pCi/g	04/18/12 14:07	
Bismuth-214	0.00300 ± 0.229 (0.457)	pCi/g	04/18/12 14:07	
Lead-212	0.00200 ± 0.0530 (0.101)	pCi/g	04/18/12 14:07	
Lead-214	0.00400 ± 0.0650 (0.127)	pCi/g	04/18/12 14:07	
Potassium-40	-0.032 ± 0.488 (0.843)	pCi/g	04/18/12 14:07	
Radium-226	-0.025 ± 0.185 (0.143)	pCi/g	04/18/12 14:07	
Radium-228	-0.058 ± 0.628 (0.270)	pCi/g	04/18/12 14:07	
Thallium-208	0.0120 ± 0.0330 (0.0610)	pCi/g	04/18/12 14:07	
Thorium-234	0.802 ± 1.33 (2.22)	pCi/g	04/18/12 14:07	
Uranium-235	0.0130 ± 0.0340 (0.0590)	pCi/g	04/18/12 14:07	

QUALITY CONTROL DATA

Project: 1203847
Pace Project No.: 3065761

QC Batch:	RADC/11526	Analysis Method:	RP280m DOE Method
QC Batch Method:	RP280m DOE Method	Analysis Description:	PGH-R-042 Lead 210
Associated Lab Samples:	3065761001, 3065761002		

METHOD BLANK:	422936	Matrix:	Solid
Associated Lab Samples:	3065761001, 3065761002		

Parameter	Act ± Unc (MDC)	Units	Analyzed	Qualifiers
Lead-210	0.313 ± 0.286 (0.471)	pCi/g	04/29/12 10:14	N2

QUALITY CONTROL DATA

Project: 1203847
Pace Project No.: 3065761

QC Batch: RADC/11531 Analysis Method: EPA 900.0m
QC Batch Method: EPA 900.0m Analysis Description: 900.0 Gross Alpha/Beta
Associated Lab Samples: 3065761001, 3065761002

METHOD BLANK: 422941 Matrix: Solid
Associated Lab Samples: 3065761001, 3065761002

Parameter	Act ± Unc (MDC)	Units	Analyzed	Qualifiers
Gross Alpha	-0.130 ± 0.0788 (0.363)	pCi/g	04/02/12 06:38	N2
Gross Beta	-0.066 ± 0.130 (0.364)	pCi/g	04/02/12 06:38	N2

QUALIFIERS

Project: 1203847
Pace Project No.: 3065761

DEFINITIONS

DF - Dilution Factor, if reported, represents the factor applied to the reported data due to changes in sample preparation, dilution of the sample aliquot, or moisture content.

ND - Not Detected at or above adjusted reporting limit.

J - Estimated concentration above the adjusted method detection limit and below the adjusted reporting limit.

MDL - Adjusted Method Detection Limit.

S - Surrogate

1,2-Diphenylhydrazine (8270 listed analyte) decomposes to Azobenzene.

Consistent with EPA guidelines, unrounded data are displayed and have been used to calculate % recovery and RPD values.

LCS(D) - Laboratory Control Sample (Duplicate)

MS(D) - Matrix Spike (Duplicate)

DUP - Sample Duplicate

RPD - Relative Percent Difference

NC - Not Calculable.

SG - Silica Gel - Clean-Up

U - Indicates the compound was analyzed for, but not detected.

N-Nitrosodiphenylamine decomposes and cannot be separated from Diphenylamine using Method 8270. The result reported for each analyte is a combined concentration.

Act - Activity

Unc - Uncertainty

(MDC) - Minimum Detectable Concentration

Pace Analytical is TNI accredited. Contact your Pace PM for the current list of accredited analytes.

TNI - The NELAC Institute.

ANALYTE QUALIFIERS

N2 The lab does not hold TNI accreditation for this parameter.



Hall Environmental Analysis Laboratory
 4901 Hawkins NE
 Albuquerque, NM 87106
 TEL: 505-345-3975 FAX: 505-345-4107
 Website: www.hallenvironmental.com

Sample Log-In Check List

Client Name: Klein Work Order Number: 1203847
 Received by/date: AT 03/22/12
 Logged By: Anne Thorne 3/22/2012 9:05:00 AM *Anne Thorne*
 Completed By: Anne Thorne 3/22/2012 *Anne Thorne*
 Reviewed By: *[Signature]*

Chain of Custody

- 1. Were seals intact? Yes No Not Present
- 2. Is Chain of Custody complete? Yes No Not Present
- 3. How was the sample delivered? Client

Log In

- 4. Coolers are present? (see 19. for cooler specific information) Yes No NA
- 5. Was an attempt made to cool the samples? Yes No NA
- 6. Were all samples received at a temperature of >0° C to 6.0°C Yes No NA
- 7. Sample(s) in proper container(s)? Yes No
- 8. Sufficient sample volume for indicated test(s)? Yes No
- 9. Are samples (except VOA and ONG) properly preserved? Yes No
- 10. Was preservative added to bottles? Yes No NA
- 11. VOA vials have zero headspace? Yes No No VOA Vials
- 12. Were any sample containers received broken? Yes No
- 13. Does paperwork match bottle labels?
(Note discrepancies on chain of custody) Yes No
- 14. Are matrices correctly identified on Chain of Custody? Yes No
- 15. Is it clear what analyses were requested? Yes No
- 16. Were all holding times able to be met?
(If no, notify customer for authorization.) Yes No

of preserved bottles checked for pH: _____
 (<2 or >12 unless noted)
 Adjusted? _____
 Checked by: _____

Special Handling (if applicable)

- 17. Was client notified of all discrepancies with this order? Yes No NA

Person Notified: _____ Date: _____
 By Whom: _____ Via: eMail Phone Fax In Person
 Regarding: _____
 Client Instructions: _____

18. Additional remarks:

19. Cooler Information

Cooler No	Temp °C	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	2.4	Good	Not Present			

Griswold, Jim, EMNRD

From: Bernie Bockisch <BBockisch@kleinfelder.com>
Sent: Wednesday, June 06, 2012 10:28 AM
To: Griswold, Jim, EMNRD
Subject: Seed mix

Jim,

I spoke to Steven Ikeda this morning. He was on vacation yesterday. He said that the Homestead Seed Mix was a common seed mix that both the state and BLM use in that area. Since the work was being done on private land he couldn't make a recommendation, but stated that he commonly uses the Homestead Mix in that area. He said that Curtis and Curtis (where we are getting the seed) is a pretty reputable and knowledgeable seed company. He said that placing straw would just bring cows or blow away. Our method of placing seed, wheel rolling it in place, and watering it would probably give the seed the best chance of growing. So I think we're on the right track with the reseeding.

We've finished backfilling the Hutcherson site and are moving the dozer and loader over to North Lea to complete the backfilling there. We should be done by tomorrow and will reseed both sites at the same time. Enviroworks should be demobilized by no later than Monday. They (Enviroworks) has provided 1 load of topsoil and 4 loads of caliche to Mr. Preuit. They will also muck out one of his tanks before they demobilize.

Bernie

Bernard Bockisch
Sr. Project Manager

Kleinfelder, Inc.
9019 Washington NE, Building A
Albuquerque, NM 87113

o| 505.344.7373 x256
f | 505.344.1711
c| 505.401.1955

Griswold, Jim, EMNRD

From: Kylene B <eklb2001@yahoo.com>
Sent: Friday, July 06, 2012 2:20 PM
To: Griswold, Jim, EMNRD
Subject: Successful remediation project in my humble opinion

Dear Jim:

Thank you for making the remediation project very successful. In short you made it happen in the first place for which I am most appreciative. I do need to check about reseeding the area. It has not rained as of today. Will this part of the project be done when the rains start as we somewhat discussed?

Thanks for your understanding and patience. You are a valuable asset to NM.

Kylene Bresenham