

**BW - 8**

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**

**2004 → 1999**

**SALTY DOG BRINE, INC.  
HOBBS, NM**

**NMOCD DISCHARGE PLAN BW-008  
JUNE 2004**

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

Revised June

10, 2003 Submit Original Plus 1 Copy to Santa Fe 1 Copy to Appropriate District Office

**DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES**  
(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal

I. Facility Name: Salty Dog, Inc. Brine Station BW-008

II. Operator: Piter Bergstein, Zia Transportation

Address: Box 2724 Lubbock, TX 79408

Contact Person: Terry Wallace Phone: (505)393-8352

III. Location: NE /4 /4 Section 5 Township 19 S Range 36 E

Submit large scale topographic map showing exact location.

- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

XI. CERTIFICATION:

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Eddie W. Seay Signature: Eddie W. Seay  
seay04@leaco.net E-mail Address:

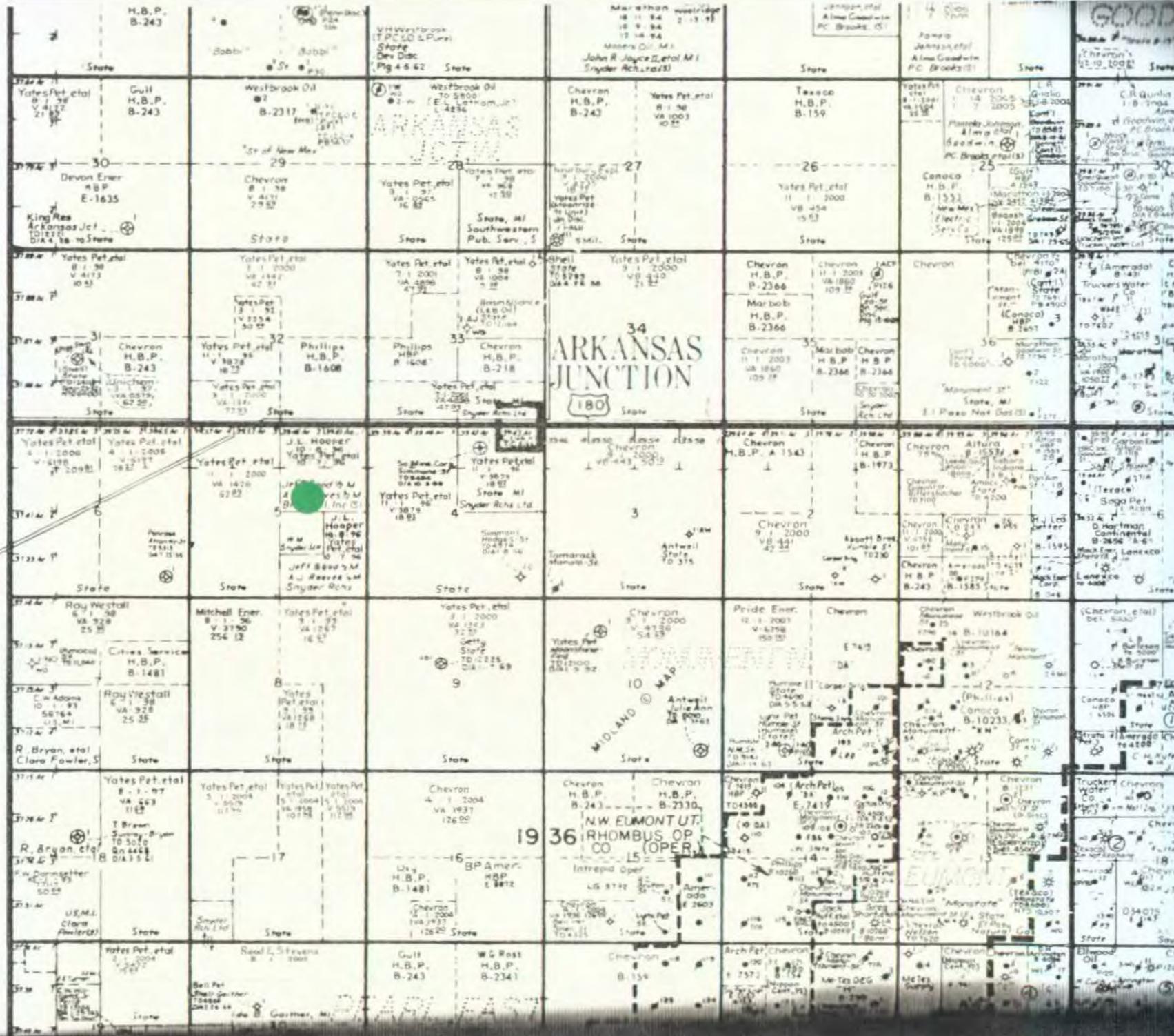
Edwin W. Lee  
Agent

Title:

Date: 6-4-04

- IV. Snyder Ranches Inc.  
Box 2158  
Hobbs, NM 88241
- V. Salty Dog produces and sells both fresh water and brine. The fresh water is contained in two 1000 bl. tanks. The brine is pumped from the brine well into a lined storage pit. The pit, approximately 130' x 130' x 4', stores the brine for truck sales. The pit is equipped with a leak detection system so that a visual inspection can be made daily for any leaks to the brine pit.
- VI. The fluids, both fresh and brine, are transferred from the brine well to the brine storage pit through a 3" poly pipe 3/8" thick, buried at a depth of approximately 18". The poly pipe has a 50 year design life and a 800# burst pressure. The line is inspected almost daily by physically driving along side of line and inspecting it for leaks.
- VII. The brine well is equipped with 8 5/8" production casing and a 5 1/2" liner, and 2 1/2" tubing. Fresh water is pumped down the casing into the salt section and brine is produced out the tubing and transferred to the brine storage pit. The well operates at approximately 275# and can produce approximately 35 bls. per hr. (see attached well bore schematic)
- VIII. Salty Dog, Inc., in association with Zia Transportation, has vacuum trucks and equipment that will be used in case of an accidental spill or release. In the event of a release, Salty Dog will notify the Hobbs OCD and proceed with cleanup as directed or as guidelines require.
- IX. With proper monitoring of the lined pit, lines and testing of well is done, any leak can be detected with a minimum of damage. Salty Dog did have a leak in its brine well, the well was repaired and extraction wells were installed to recover salt water from the formation. To date, Salty Dog has recovered 1,072,800 gallons of water, which it uses in the brine system. (attached are water analysis.)
- X. Salty Dog, Inc., Zia Transportation and Mr. Piter Bergstein are dedicated and will install a monitor well down gradient of the brine pond, and two additional monitor wells at the contaminated site near the brine well, as directed by the OCD.





To Corbin

T  
19  
S

GOOD

34  
ARKANSAS  
JUNCTION  
180

10  
MIDLAND  
MAP

19 36  
N.W. ELMONT UT.  
RHOOMBUS OP.  
CO. (OPER)

6/03/2004 09:28:14 LEA COUNTY ASSESSOR Year 2004 FAYE  
0042066 Dist 160 NonRend% 0 0 Centrl  
SNYDER RANCHES LTD FinCo 4989 Land 119147 Txb1  
33282 Impr 0 Exmpt  
0 P.P.

357441 Full

IV

BOX 2158 0 M.H. 119147 Net  
HOBBS NM 88241 319170 Livstk \$4035.72

Pos to() Print=Y

Property Description	Code	Value	Desc	Quantity	Rate	Taxable
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SECTION-26 TOWNSHIP-18S RANGE-35E						
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200.00 AC BEING W2SE4, E2SW4, NW4NW4						
---	--	--	--	--	--	--

4 000 420 660 004						
-------------------	--	--	--	--	--	--

SECTION-33 TOWNSHIP-18S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

160.00 AC BEING SE4						
---------------------	--	--	--	--	--	--

4 000 420 660 005						
-------------------	--	--	--	--	--	--

SECTION-04 TOWNSHIP-19S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

139.14 AC LOC LOT 2, S2NE4 S2 LOT 1						
--	--	--	--	--	--	--

4 000 420 660 001						
-------------------	--	--	--	--	--	--

SECTION-05 TOWNSHIP-19S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

160.00 AC LOC SE4						
-------------------	--	--	--	--	--	--

More...

F3=Cancel F4=Prompt() F6=Change Years F12=Return

### WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

#### CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

#### CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

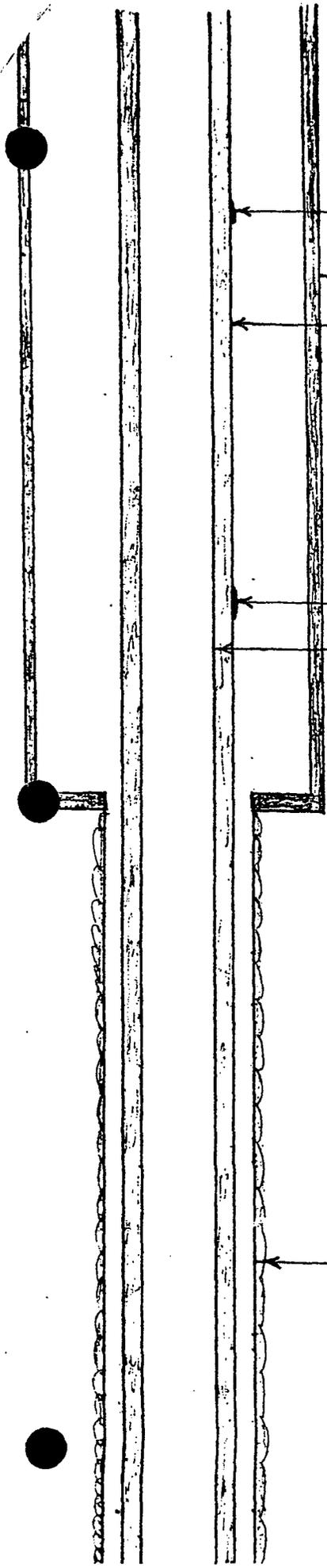
#### TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

Hole Size 6 1/4"





IX

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 SALTY DOG  
 ATTN: TERRY WALLACE  
 P.O. BOX 513  
 HOBBS, NM 88241  
 FAX TO: (505) 393-8353

Receiving Date: 05/25/04  
 Reporting Date: 05/25/04  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Analysis Date: 05/25/04  
 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-1	MONITOR WELL #1	1320
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-ClB

*Amy Hill*  
 Chemist

5/25/04  
 Date

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



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 Project Location: NOT GIVEN

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 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-2	MONITOR WELL #2	332
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
--------------------------	------------------------

*Amy Hill*  
 Chemist

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 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-3	MONITOR WELL #3	380
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

Amy Hill  
 Chemist

5/25/04  
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 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-4	REMEDATION WELL #1	440
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-ClB

Amy Hill  
 Chemist

5/25/04  
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 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-5	REMEDATION WELL #2	11097
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

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 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-6	FRONT WW BY PIT	720
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-ClB

Amy Hill  
 Chemist

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# CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
 (915) 673-7001 Fax (915) 673-7020 (505) 393-2328 Fax (505) 393-2476

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_\_\_ of \_\_\_\_\_

Company Name: <u>Salty Dog</u>				<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>				
Project Manager: <u>Terry Wallace</u>				P.O. #: <u>Same</u>								
Address: <u>P.O. Box 513</u>				Company:								
City: <u>Hobbs</u>		State: <u>Nm</u>		Zip: <u>88241</u>		Attn:						
Phone #: <u>393-8352</u>		Fax #: <u>393-8353</u>		Address:		City:						
Project #:		Project Owner:		State:		Zip:						
Project Name:				Phone #:								
Project Location:				Fax #:								
Sampler Name:												
FOR LAB USE ONLY												
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP. # CONTAINERS	MATRIX					PRESERV.		SAMPLING		
			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE
H8730-1	Monitor Well #1		✓								5/25/04	
-2	Monitor Well #2		✓								↓	
-3	Monitor Well #3		✓									
-4	Remediation Well #1		✓								↓	
-5	Remediation Well #2		✓									
-6	Front Water Well by Pit		✓									

C1-

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Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished:		Date: <u>5/25/04</u>	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No
<u>T. Wallace</u>		Time: <u>10:45 AM</u>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No
Relinquished By:		Date:	Received By: (Lab Staff)	REMARKS:
		Time:	<u>Amy Hill</u>	
Delivered By: (Circle One)		Sample Condition	Checked By:	
Sampler - UPS - Bus - Other:		Temp. °C	Intact?	(Initials)
		<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
		<input type="checkbox"/> No	<input type="checkbox"/> No	

† Cardinal cannot accept verbal changes. Please fax written changes to (915) 673-7020.

# Affidavit of Publication

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

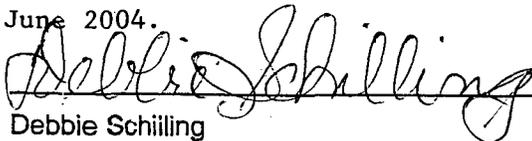
That the notice which is hereto attached, entitled  
Public Notice

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of June 3, 2004 and ending with the issue of June 3, 2004.

And that the cost of publishing said notice is the sum of \$ 50.94 which sum has been (Paid) as Court Costs.

  
\_\_\_\_\_

Subscribed and sworn to before me this 3rd day of  
June 2004.

  
\_\_\_\_\_

Debbie Schilling  
Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2006

## PUBLIC NOTICE

Notice is hereby given that pursuant to the New Mexico Oil Conservation Division Regulations, the following application has been submitted for a discharge renewal to the Director of the Oil Conservation Division, P.O. Box 6429, 1220 South Saint Francis Drive, Santa Fe, NM 87505, (505) 476-3440.

The applicant, Salty Dog, Inc., P.O. Box 2724, Lubbock, TX 79408, has applied for a renewal to its existing discharge permit, BW-008. The facility is located approximately 12 miles West of Hobbs on Hwy. 62-180 in the NE1/4 of Section 5, Township 19 S., Range 36 E., Lea Co. NM. The facility produces and sells approximately 800 lbs of brine water per day from an approved brine extraction well. Ground water at this area is found at approximately 60 ft. and has a chloride concentration that ranges from 75 milligrams per liter to 800 milligrams per liter and a total dissolved solids concentration that ranges from 500 milligrams per liter to 1500 milligrams per liter. The facility location is underlain by alluvial sediment and the Ogallala formation. The permit application addresses all phases of its operation.

Any interested person may obtain information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The application may be viewed at the above address or at the Hobbs District Office at 1625 N. French Drive, Hobbs, NM, between 8:00 am and 4:00 pm, Monday thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of the notice, during which comments may be submitted and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.  
Published in the Lovington Daily Leader June 3, 2004.

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## Aviso Público

El aviso se da por este medio eso conforme a las regulaciones de la división de la conservación del aceite de New México, el uso siguiente se ha sometido para una renovación de la descarga al director de la división de la conservación del aceite, P.O. Box 6429, impulsión del sur de 1220 Santo Francis, FE de santa, NM 87505, (505)476-3440.

El aspirante, Salty Dog, Inc., P.O. Box 2724, Lubbock, TX 79408, ha solicitado una renovación a su permiso existente de la descarga, BW-008. La facilidad está situada aproximadamente 12 millas al oeste de Hobbs en Hwy. 62-180 en el  $\frac{1}{4}$  del NE de la sección 5, el Municipio 19S., se extiende 36 E., Lea Co., NM. La facilidad produce y vende aproximadamente 800bbs. del agua de la salmuera por día de una extracción aprobada de la salmuera bien. La agua subterránea en esta área se encuentra en aproximadamente 60 pies y tiene una concentración del cloruro que se extienda a partir de 75 miligramos por litro a 800 miligramos por litro y una concentración disuelta total de los sólidos que se extienda a partir de 500 miligramos por litro a 1500 miligramos por litro. La localización de la facilidad es sida la base por el sedimento aluvial y la formación de Ogallala. El uso del permiso trata todas las fases de su operación.

Cualquier persona interesada puede obtener la información de la división de la conservación del aceite y puede someter comentarios escritos al director de la división de la conservación del aceite en la dirección dada arriba. El uso se puede ver en la dirección antedicha o en la oficina de distrito de Hobbs en N. 1625 french Drive, Hobbs, NM, entre 8:00 y 4:00 P.M., lunes por viernes. Antes de la decisión en cualquier uso propuesto, el director de la división de la conservación del aceite dará un plazo por lo menos thirty(30) de días después de la fecha de la publicación del aviso, durante el cual los comentarios pueden ser sometidos y la audiencia pública se puede solicitar por cualquier persona interesada. El pedido la audiencia pública dispondrá las razones por las que una audiencia será llevada a cabo. Una audiencia será llevada a cabo si el director se determina que hay interés público significativo.







**SALTY DOG  
WATER STATION**

In Case Of Emergency Or Information

**(505)393-8352**















**SALTY DOG Inc.**

**BRINE WELL SUPPLY #1**

**SEC5T19S R36E**

**1980' FSL 1980' FEL**

**UNIT LETTER J**







December 7, 2004

Dear Wayne Price,

After our conversation on the phone, on Thursday December 2, we will be implementing a high-density plastic liner below the sump bay at the Salty Dog Brine Station. I am in agreement with you that this is a safe guard against contamination of the soil and water.

Thank you for all of your help in designing the additions to the facility.

Brandon Bird

A handwritten signature in black ink, appearing to read 'B. Bird', with a large, sweeping flourish at the end.



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

**FAX**

TO: Wayne Price  
FROM: Paul S  
RE: Salty dog C-141  
DATE: \_\_\_\_\_

4-21-05

SALTY Dog 505-393-8353

NO. OF PAGES 6 INCLUDING COVERSHEET

Oil Conservation Division \* 1625 N. French Drive \* Hobbs, New Mexico 88240  
Phone: (505) 393-6161 \* Fax (505) 393-0720 \* <http://www.emnrd.state.nm.us>

2  
 District I  
 District II  
 District III  
 District IV

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

State of New Mexico  
 Energy Minerals and Natural Resources

Oil Conservation Division  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-141  
 Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR  Initial Report  Final Report

Name of Company	Salty Dog, Inc.	Contact	Art Hilliker
Address	P.O. Box 513 Hobbs, Nm	Telephone No.	505/390-6205
Facility Name	Arkansas Jet. Brine Station	Facility Type	Brine Water Production Facility

Surface Owner	Snyder Ranch Larry S	Minrcal Owner	Snyder Ranch	Lease No.	
---------------	-------------------------	---------------	--------------	-----------	--

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	East Line	County
J	5	19S	36E	1980	South	1980	East	Hobbs

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release	Salty water	Volume of Release	425 +/-	Volume Recovered	421 Bbls
Source of Release	Brine well	Date and Hour of Occurrence	Feb. 10, 05	Date and Hour of Discovery	Feb. 11, 05 AM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Chris Williams		
By Whom?	Chris Williams + Gary Wink - on loc	Date and Hour	2/11/05 Approx. 10AM		
Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	425 Bbls. + or -		

If a Watercourse was Impacted, Describe Fully.\*  
 Brine supply pipeline (buried) burst and brine water flowed from casing of well leaking through hole in pipeline up above ground and into dry lake bed, flooding lake bed.

Describe Cause of Problem and Remedial Action Taken.\*  
 Cause: hole in brine water supply line to pit by hiway burst, when trying to unplug supply line. Rem. Action: Sent Vacuum Trucks to suck all brine water in low areas out of lake bed + dispose of at public SWD.

Describe Area Affected and Cleanup Action Taken.\*  
 Dry low spot (lake bed) was flooded by released brine. Picked up 421 Bbls brine out of lake bed, haul to SWD. Let flooded area dry. After drying, will consult with landowner, OCD, EPA to disc affected area and add fertilizer + salt neutralizing agents.

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

Signature:	Art Hilliker	OIL CONSERVATION DIVISION	
Printed Name:	Art Hilliker	Approved by District Supervisor:	Chris Williams
Title:	Safety / Customer Relations	Approval Date:	2/24/05
E-mail Address:		Expiration Date:	3/15/05
Date:	Feb. 23, 2005	Phone:	393-8352
		Conditions of Approval:	Attached <input type="checkbox"/>
		Must submit a remediation plan by 3/15/05	

\* Attach Additional Sheets If Necessary

Well API # 30-025-26307

Report Date: February 25, 2005  
050209

Work Order: 5021008  
Yucca/Salty Dog

Page Number: 1 of 1  
Phillips Goldston Well #1/Brine Sta.

Salty Dog

### Summary Report

Paul Sheeley  
OCD-Hobbs  
1625 N. French Dr.  
Hobbs, NM 88240

Report Date: February 25, 2005

Work Order: 5021008

Project Location: Phillips Goldston Well #1/Brine Sta.  
Project Name: Yucca/Salty Dog  
Project Number: 050209

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
54354	0502091100	water	2005-02-09	11:00	2005-02-10

Sample: 54354 - 0502091100

Param	Flag	Result	Units	RL
Hydroxide Alkalinity		<1.00	mg/L as CaCo3	1.00
Carbonate Alkalinity		<1.00	mg/L as CaCo3	1.00
Bicarbonate Alkalinity		166	mg/L as CaCo3	4.00
Total Alkalinity		166	mg/L as CaCo3	4.00
Dissolved Calcium		1080	mg/L	0.500
Dissolved Potassium		31.8	mg/L	0.500
Dissolved Magnesium		28.2	mg/L	0.500
Dissolved Sodium		4170	mg/L	0.500
Specific Conductance		23100	µMHOS/cm	0.00
Chloride		5550 ✓	mg/L	0.500
Fluoride		4.56	mg/L	0.200
Sulfate		2430	mg/L	0.500
Nitrate-N		3.71	mg/L	0.200
pH		7.84	s.u.	0.00
Total Dissolved Solids		15500	mg/L	10.00

REC'D  
Hobbs  
FEB 25 2005

Report Date: February 25, 2005  
050209

Work Order: 5021008  
Yucca/Salty Dog

Page Number: 8 of 10  
Phillips Goldston Well #1/Brine Sta.

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7.00	7.04	100	98 - 102	2005-02-11

Standard (CCV-1) QC Batch: 15898

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7.00	7.04	100	98 - 102	2005-02-11

Standard (ICV-1) QC Batch: 15942

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	50.0	48.4	97	90 - 110	2005-02-16
Dissolved Potassium		mg/L	50.0	50.2	100	90 - 110	2005-02-16
Dissolved Magnesium		mg/L	50.0	48.9	98	90 - 110	2005-02-16
Dissolved Sodium		mg/L	50.0	49.6	99	90 - 110	2005-02-16

Standard (CCV-1) QC Batch: 15942

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	50.0	49.4	99	90 - 110	2005-02-16
Dissolved Potassium		mg/L	50.0	49.2	98	90 - 110	2005-02-16
Dissolved Magnesium		mg/L	50.0	49.0	98	90 - 110	2005-02-16
Dissolved Sodium		mg/L	50.0	50.0	100	90 - 110	2005-02-16

Standard (ICV-1) QC Batch: 15978

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Alkalinity		mg/L as CaCo3	250	242	97	90 - 110	2005-02-17

Standard (CCV-1) QC Batch: 15978

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Alkalinity		mg/L as CaCo3	250	246	98	90 - 110	2005-02-17

Standard (ICV-1) QC Batch: 16161

Report Date: February 25, 2005  
050209

Work Order: 5021008  
Yucca/Salty Dog

Page Number: 9 of 10  
Phillips Goldston Well #1/Brine Sta.

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/L	12.5	12.3	98	90 - 110	2005-02-22
Sulfate		mg/L	12.5	12.2	98	90 - 110	2005-02-22

Standard (CCV-1) QC Batch: 16161

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/L	12.5	12.2	98	90 - 110	2005-02-22
Sulfate		mg/L	12.5	12.2	98	90 - 110	2005-02-22

6701 Aberdeen Avenue, Ste. 3  
Lubbock, Texas 79424  
Tel (806) 794-1296  
Fax (806) 794-1294  
1 (800) 378-1296

**TraceAnalysis, Inc.**

155 McCutcheon, Suite M  
El Paso, Texas 79932  
Tel (915) 525-3443  
Fax (915) 545-4944  
1 (888) 384-3443

Company Name: New Mexico Oil Conservators Co. Phone #: 505.393.6161  
Address: 1625 N. French Dr. Hobbs Fax #: 393-0720 X113  
Contact Person: Paul Sheeley  
Invoice to: Ed Martin 505.476.3492  
Project #: 050209 Project Name: Yucca/Salty Reg  
Project Location: Phillips Goldston Well #1/Brine Sta. Sample Signature: Chris Williams

**CHAIN-OF-CUSTODY AND ANALYSIS REQUEST**  
LAB Order ID #: 5021009

**ANALYSIS REQUEST**  
(Circle or Specify Method No.)

MTBE 80218602	
BTEX 80218602	
TPH #18 17X1005	
PAH 8970C	
1601 Metals Ag As Ba Cd Cr Pb Se Hg 801080007	
TCLP Metals Ag As Ba Cd Cr Pb Se Hg	
TCLP Volatiles	
TCLP Semi Volatiles	
TCLP Pesticides	
PC1	
OCMS Vol 82801624	
OCMS Semi Vol 82702923	
PC9's 80802603	
Pesticide 80814004	
BOD 188 PH	
General Chemistry	X
Turbidity	
Total Solids	

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume/Amount	MATRIX				PRESERVATIVE METHOD				SAMPLING			
				WATER	SOIL	AIR	SLUDGE	HCl	HNO3	H2SO4	NaOH	ICE	NONE	DATE	TIME
54354	0502091100	1p	1602	X							X	2/9	1100		
55	0502091300	1g	402	X								2/9	1300	XX	

Requested by: Chris Williams Hobbs Date: 2-9-05 Time: 14:30  
Received by: Paul Sheeley Date: 2-9-05 Time: 14:30

Requested by: Paul Sheeley Date: 2-9-05 Time: 15:30  
Received by: Bus Station Date: 2-10-05 Time: 10:16

Requested by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Received at Laboratory by: Julie Ann Date: 2-10-05 Time: 10:16

**LAB USE ONLY**

Contact: D.N.  
Headspace: D.N.  
Temp: 40  
Log-In Review: \_\_\_\_\_

REMARKS:  
54354 rec in plastic  
cake brittle. Ripped  
to dust in lab

Check if Special Reporting Limits Are Needed

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C.O.C.  
ORIGINAL COPY

Carrier #: TVM-D 903 292-433-0

TRANSACTION REPORT

P. 01

APR-21-2005 THU 02:49 PM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
APR-21	02:47 PM	15053939758	1'54"	6	RECEIVE	OK		



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON  
Governor  
Joanna Prukop  
Cabinet Secretary

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division

FAX

TO:

Wayne

FROM:

Paul

RE:

Salty Dog ~~Not Draft~~ C-141

DATE:

3-28-05

NO. OF PAGES \_\_\_\_\_ INCLUDING COVERSHEET

District I  
1625 N. French Dr., Hobbs, NM 88240  
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1301 W. Grand Avenue, Artesia, NM 88210  
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State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name of Company	Salty Dog, Inc.	Contact	Art Hilliker
Address	P.O. Box 513 Hobbs, Nm	Telephone No.	505/390-6205
Facility Name	Arkansas Jet. Brine Station	Facility Type	Brine Water Production Facility

Surface Owner	Snyder Ranch Larry S	Mineral Owner	Snyder Ranch	Lease No.	
---------------	-------------------------	---------------	--------------	-----------	--

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Type of Release	Salty water	Volume of Release	425 +/-	Volume Recovered	421 Bbls
Source of Release	Brine well	Date and Hour of Occurrence	Feb. 10, 05	Date and Hour of Discovery	Feb. 11, 05 AM
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By Whom?	Chris Williams + Gary Wink - on loc.	Date and Hour	2/11/05 Approx. 10AM		
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Signature:	Art Hilliker	<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Art Hilliker	Approved by District Supervisor:	Chris Williams
Title:	Safety / Customer Relations	Approval Date:	2/24/05
E-mail Address:		Expiration Date:	3/15/05
Date:	Feb. 23, 2005	Conditions of Approval:	Must submit a remediation plan by 3/15/05
Phone:	393-8352	Attached	<input type="checkbox"/>

\* Attach Additional Sheets If Necessary

Well API # 30-025-26307

\*\*\*\*\*  
 \* P.01 \*  
 \* TRANSACTION REPORT \*  
 \* MAR-28-2005 MON 07:50 AM \*  
 \* FQR: \*  
 \*-----\*  
 \* RECEIVE \*  
 \*-----\*  
 \* DATE START SENDER RX TIME PAGES TYPE NOTE M# DP \*  
 \*-----\*  
 \* MAR-28 07:49 AM 15053939758 57" 2 RECEIVE OK \*  
 \*-----\*  
 \*\*\*\*\*

TRANSACTION REPORT

P. 01

NOV-24-2004 WED 10:06 AM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
NOV-24	10:06 AM	8068945635	39"	2	RECEIVE	OK		

T & B SERVICES, INC.  
P.O. BOX 1262  
LEVELLAND, TX 79336  
806-894-8425  
FAX 806-894-5635

facsimile transmittal

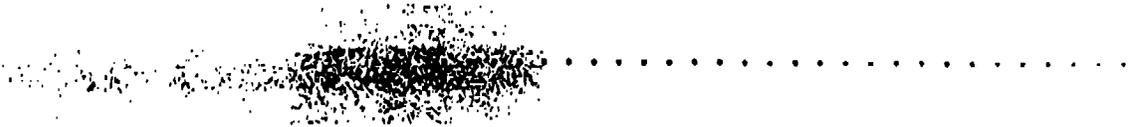
B6-08

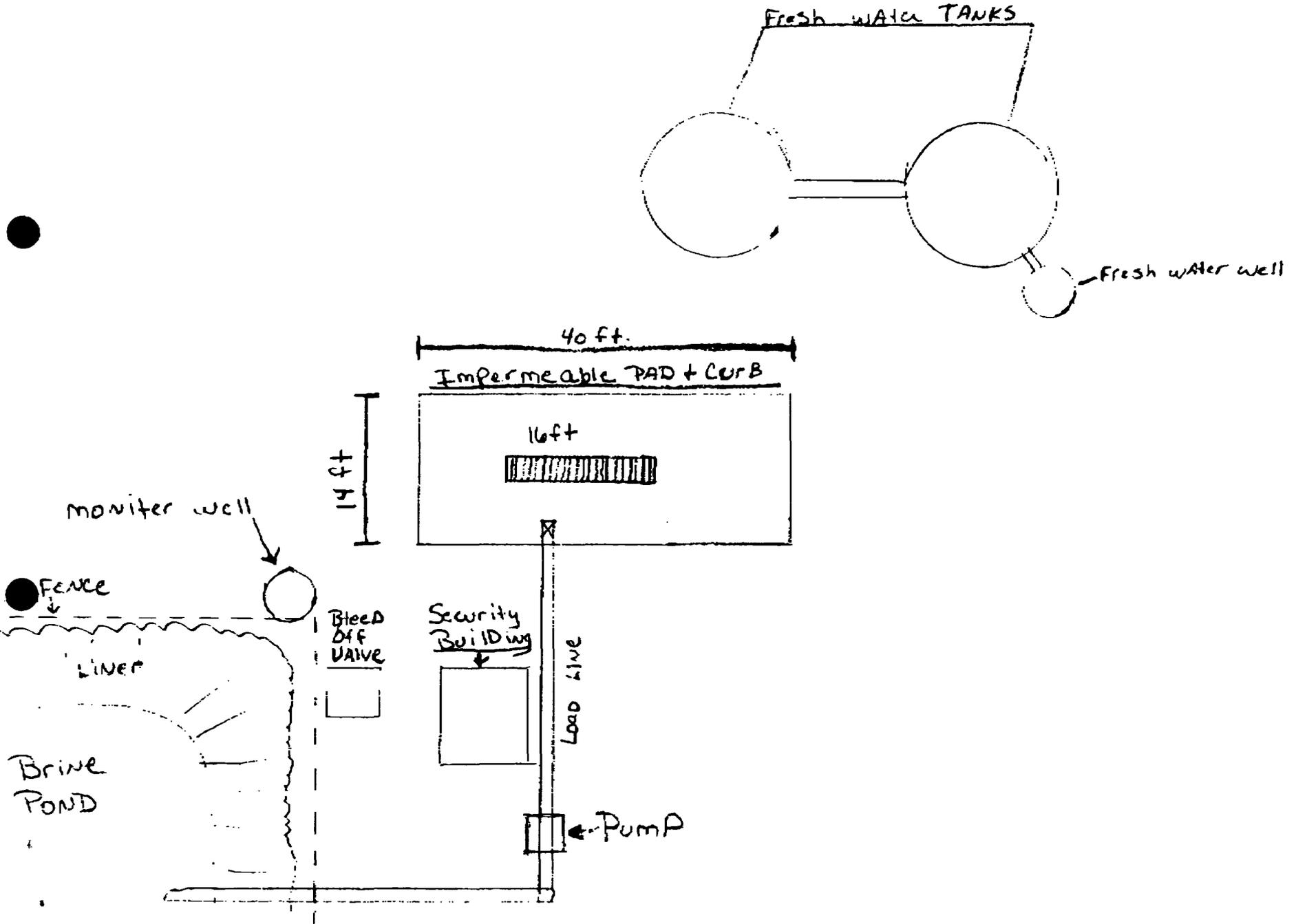
To: Wayne Price Fax: 505-476-3462  
 From: Brandon Bird Date: 11-24-04 806-781-6094  
 Re: SALTY Dog Pages: 2  
 CC:

- Urgent
- For Review
- Please Comment
- Please Reply
- Please Recycle

Approved with condition that farms must  
have secondary containment!

12/1/04  
*[Signature]*





## Price, Wayne

---

**From:** Johnson, Larry  
**Sent:** Monday, March 28, 2005 10:53 AM  
**To:** Price, Wayne  
**Cc:** Williams, Chris  
**Subject:** Salty Dog

Looking north toward the truck loading area from just north of the well.



P2280061.JPG



P2280062.JPG



P2280060.JPG



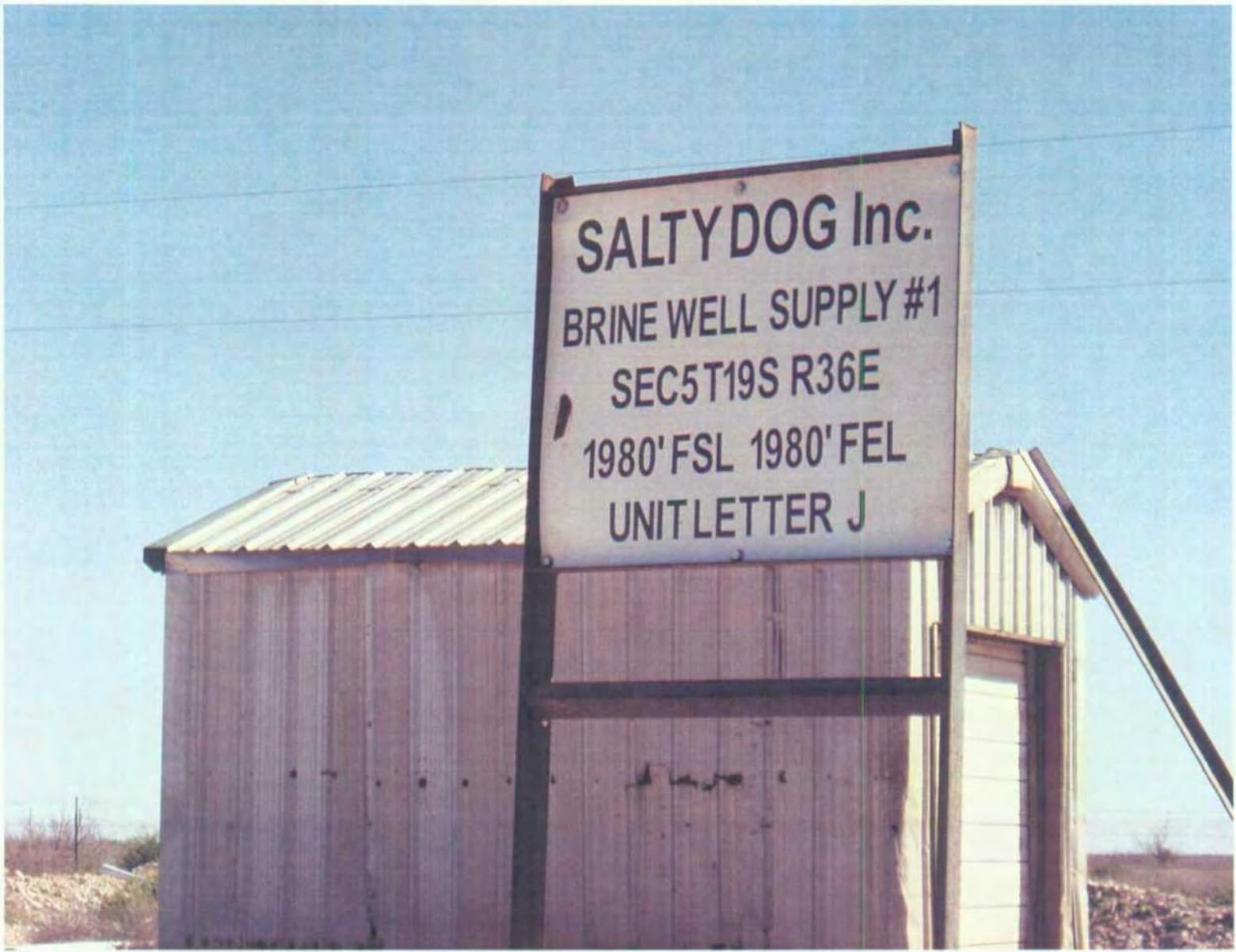
**SALTY DOG Inc.**

**BRINE WELL SUPPLY #1**

**SEC5T19S R36E**

**1980' FSL 1980' FEL**

**UNIT LETTER J**







RECEIVED

THE SANTA FE

# NEW MEXICAN

OCT 20 2004

Founded 1849

OIL CONSERVATION  
DIVISION

NM OIL CONSERVATION DIV.  
1220 ST. FRANCIS DR  
*Attn: Wayne Price*  
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689  
AD NUMBER: 00091709 ACCOUNT: 00002212  
LEGAL NO: 75107 P.O. #: 05-199-050185  
145 LINES 1 TIME(S) 99.00  
AFFIDAVIT: 5.50  
TAX: 6.99  
TOTAL: 111.49

### AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, B. Perner, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 75107 a copy of which is hereto attached was published in said newspaper 1 day(s) between 10/20/2004 and 10/20/2004 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 20th day of October, 2004 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

*B. Perner*

/s/

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 20th day of October, 2004

Notary *Laura E. Hardig*

Commission Expires: *11/23/07*



**NOTICE OF PUBLICATION**

**STATE OF  
NEW MEXICO  
ENERGY, MINERALS  
AND NATURAL  
RESOURCES  
DEPARTMENT  
OIL CONSERVATION  
DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge permit application(s) has been submitted to the Director of the Oil Conservation Division, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

**(BW-08) - Salty Dog Inc., Pieter Bergstein, President, P.O. Box 2724, Lubbock, Texas 79408 has submitted an application for the renewal of a discharge plan for the Arkansas Junction Brine Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 90 gallons per minute of brine water with a TDS of approximately 300,000 mg/l is produced from a Class III Brine Well and stored in a lined pond for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 75 feet with a total dissolved solids concentration of 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed including groundwater monitoring and remediation at the site.**

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil

Conservation Division at the address given above. The discharge permit application and draft discharge permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. The draft discharge permit may also be viewed at OCD's web site

<http://www.emnrd.state.nm.us/ocd/>. Prior to ruling on any proposed discharge permit or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 10th day of October 2004.

S E A L

STATE OF  
NEW MEXICO  
OIL CONSERVATION  
DIVISION

Mark Fesmire,  
Director

Legal #75107  
Pub. October 20, 2004

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. 1526 dated 10-28-04  
or cash received on \_\_\_\_\_ in the amount of \$ 1800<sup>00</sup>

from SALTY DOG

for SALTY DOG BRINE ST BW-008

Submitted by: DAYNE PRIE (Family Name) Date: 11/3/04 (DP No.)

Submitted to ASD by: [Signature] Date: 11

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee  New Facility  Renewal

Modification  Other

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment  or Annual Increment

<b>SALTY DOG</b> P. O. BOX 2724 PH. 806-741-1080 LUBBOCK, TX 79408		1526
		88-2299/1113-06
DATE <u>10-28-04</u>		
PAY TO THE ORDER OF	<u>WATER QUALITY MANAGEMENT FUND</u>	\$ <u>1800<sup>00</sup></u>
<u>ONE THOUSAND EIGHT HUNDRED</u>		DOLLARS
<b>PNB Financial</b> Lubbock, Texas 79408-0271		<u>[Signature]</u>
FOR	<u>DRAFT PERMIT BW-008</u>	MP
⑈001526⑈ ⑆111322994⑆ 16 539 9⑈		

August 31, 2004

NMOCD Environmental  
ATTN: Wayne Price  
Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

RECEIVED

SEP 07 2004

OIL CONSERVATION  
DIVISION

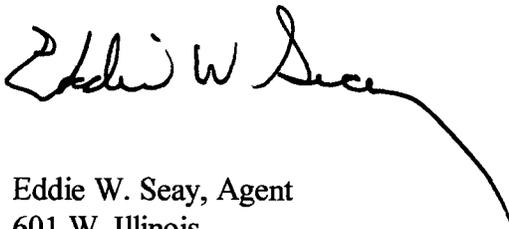
RE: Zia - Salty Dog  
NOV

Mr. Price:

Find within photographs and run ticket of work performed pursuant to your letter and NOV. Zia lowered the level in it's brine pit and cleaned up around drive area and loading area. The soil was hauled to an OCD approved facility. The area looks good and I was told they will keep up with maintenance.

Thank you for your help and if anything else is needed, please call.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

**CONTROLLED RECOVERY, INC.**

P.O. Box 388 • Hobbs, New Mexico 88241-0388

(505) 393-1079

www.crihobbs.com

Bill to \_\_\_\_\_

Address \_\_\_\_\_

Company/Generator Salty Dog Log

Lease Name Salty Dog Well

Trucking Company T+B Solutions Vehicle Number 339 Driver (Print) Joe

Date 8 27 04 Time 12:30 a.m. / (p.m.)

**Type of Material**

- Exempt
- Tank Bottoms
- Fluids
- Non-Exempt
- C117 \_\_\_\_\_
- Other Material
- C138 \_\_\_\_\_
- Soils OCD
- List Description Below

**DESCRIPTION**

Brine Cont Soil

Volume of Material  Bbls.  Yard 5  Gallons

Wash Out  Call Out  After Hours  Debris Charge

**This statement applicable to exempt waste only.**

I represent and warrant that the wastes are: generated from oil and gas exploration and production operations; exempt from Resource Conservation and Recover Act (RCRA) Subtitle C Regulations; and not mixed with non-exempt wastes.

Agent \_\_\_\_\_ (Signature) [Signature]

CRI Representative \_\_\_\_\_ (Signature) [Signature]

**TANK BOTTOMS**

	Feet	Inches	BBLS Received	BS&W %
1st Gauge				
2nd Gauge			Free Water	
Received			Total Received	

NE 50844

**SALTY DOG BRINE, INC.  
HOBBS, NM**

**NMOCD DISCHARGE PLAN BW-008  
JUNE 2004**

## DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to the OCD Guidelines for assistance in completing the application)

New

Renewal

- I. Facility Name: Salty Dog, Inc. Brine Station BW-008
- II. Operator: Piter Bergstein, Zia Transportation
- Address: Box 2724 Lubbock, TX 79408
- Contact Person: Terry Wallace Phone: (505)393-8352
- III. Location: NE /4          /4 Section 5 Township 19 S Range 36 E
- Submit large scale topographic map showing exact location.
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION:

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Eddie W. Seay  
seay04@leaco.net

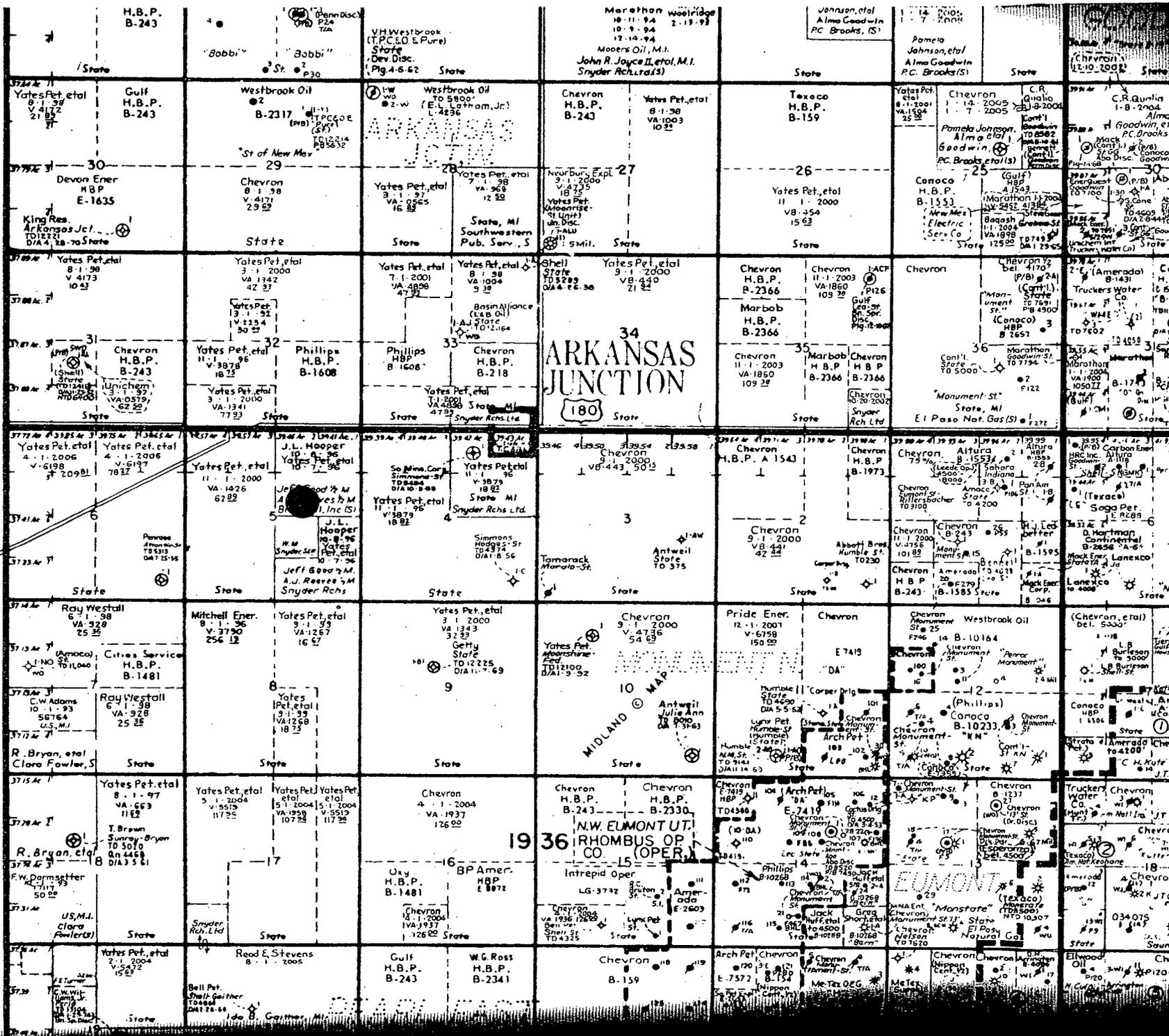
Signature: Eddie W. Seay  
E-mail Address:

Edwin W. Lee  
Agent

Title:

Date: 6-4-04

- IV. Snyder Ranches Inc.  
Box 2158  
Hobbs, NM 88241
- V. Salty Dog produces and sells both fresh water and brine. The fresh water is contained in two 1000 bl. tanks. The brine is pumped from the brine well into a lined storage pit. The pit, approximately 130' x 130' x 4', stores the brine for truck sales. The pit is equipped with a leak detection system so that a visual inspection can be made daily for any leaks to the brine pit.
- VI. The fluids, both fresh and brine, are transferred from the brine well to the brine storage pit through a 3" poly pipe 3/8" thick, buried at a depth of approximately 18". The poly pipe has a 50 year design life and a 800# burst pressure. The line is inspected almost daily by physically driving along side of line and inspecting it for leaks.
- VII. The brine well is equipped with 8 5/8" production casing and a 5 1/2" liner, and 2 1/2" tubing. Fresh water is pumped down the casing into the salt section and brine is produced out the tubing and transferred to the brine storage pit. The well operates at approximately 275# and can produce approximately 35 bls. per hr. (see attached well bore schematic)
- VIII. Salty Dog, Inc., in association with Zia Transportation, has vacuum trucks and equipment that will be used in case of an accidental spill or release. In the event of a release, Salty Dog will notify the Hobbs OCD and proceed with cleanup as directed or as guidelines require.
- IX. With proper monitoring of the lined pit, lines and testing of well is done, any leak can be detected with a minimum of damage. Salty Dog did have a leak in its brine well, the well was repaired and extraction wells were installed to recover salt water from the formation. To date, Salty Dog has recovered 1,072,800 gallons of water, which it uses in the brine system. (attached are water analysis.)
- X. Salty Dog, Inc., Zia Transportation and Mr. Piter Bergstein are dedicated and will install a monitor well down gradient of the brine pond, and two additional monitor wells at the contaminated site near the brine well, as directed by the OCD.



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19  
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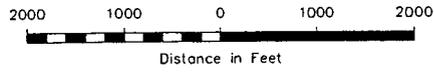
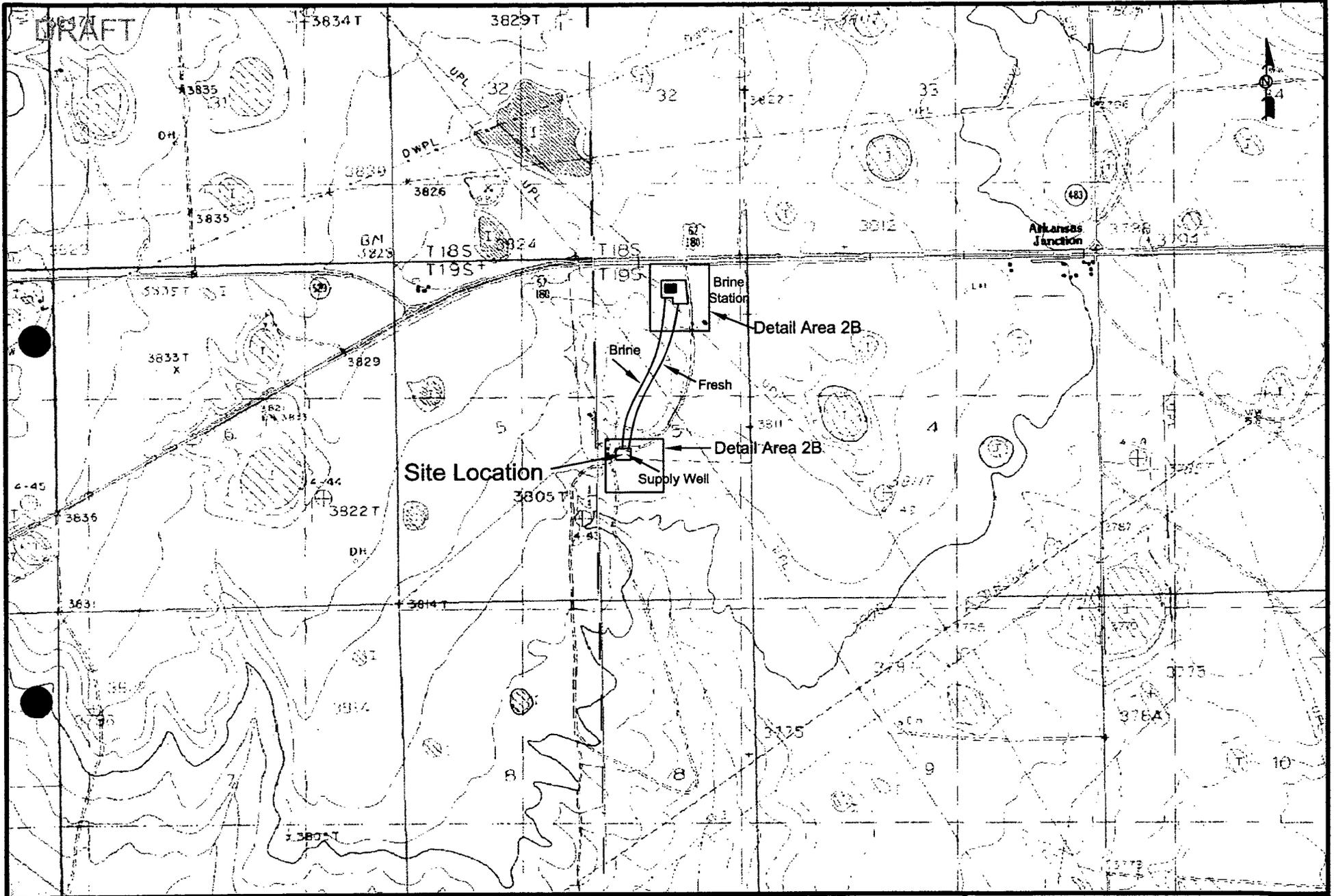


Figure 1  
Site Location Map

Salty Dog Brine Station  
Lea County, NM

6/03/2004 09:28:14 LEA COUNTY ASSESSOR Year 2004 FAYE  
0042066 Dist 160 NonRend% 0 0 Centrl  
SNYDER RANCHES LTD FinCo 4989 Land 119147 Txbl  
33282 Impr 0 Exmpt  
0 P.P.

357441 Full

IV

PO BOX 2158 0 M.H. 119147 Net  
HOBBS NM 88241 319170 Livstk \$4035.72

Pos to() Print=Y

Property Description	Code	Value	Desc	Quantity	Rate	Taxable
----------------------	------	-------	------	----------	------	---------

SECTION-26 TOWNSHIP-18S RANGE-35E						
-----------------------------------	--	--	--	--	--	--

200.00 AC BEING W2SE4, E2SW4,  
NW4NW4

4 000 420 660 004

SECTION-33 TOWNSHIP-18S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

160.00 AC BEING SE4

4 000 420 660 005

SECTION-04 TOWNSHIP-19S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

139.14 AC LOC LOT 2, S2NE4

S2 LOT 1

4 000 420 660 001

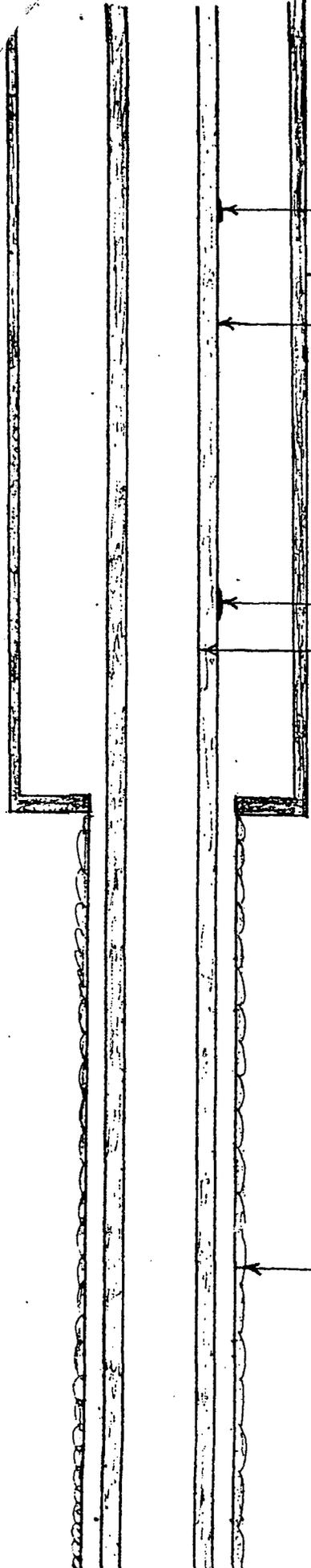
SECTION-05 TOWNSHIP-19S RANGE-36E						
-----------------------------------	--	--	--	--	--	--

160.00 AC LOC SE4

More...

F3=Cancel F4=Prompt() F6=Change Years F12=Return

### WELL BORE SKETCH



Hole at 60'

Hole Size 12 1/4"

#### CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

#### CASING LINER:

Size 5 1/2" Weight 15.50# Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

#### TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

Hole Size 6 1/4"



**ARDINAL  
LABORATORIES**

**IX**

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79803

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 05/25/04  
Reporting Date: 05/25/04  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/04  
Sampling Date: 05/25/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-1	MONITOR WELL #1	1320
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

*Amy Hill*  
\_\_\_\_\_  
Chemist

5/25/04  
\_\_\_\_\_  
Date



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 SALTY DOG  
 ATTN: TERRY WALLACE  
 P.O. BOX 513  
 HOBBS, NM 88241  
 FAX TO: (505) 393-8353

Receiving Date: 05/25/04  
 Reporting Date: 05/25/04  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Analysis Date: 05/25/04  
 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-2	MONITOR WELL #2	332
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
--------------------------	------------------------

*Amy Hill*  
 Chemist

5/25/04  
 Date

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



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PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 05/25/04  
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Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/04  
Sampling Date: 05/25/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-3	MONITOR WELL #3	380
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
--------------------------	------------------------

Amy Hill  
Chemist

5/25/04  
Date



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 ATTN: TERRY WALLACE  
 P.O. BOX 513  
 HOBBS, NM 88241  
 FAX TO: (505) 393-8353

Receiving Date: 05/25/04  
 Reporting Date: 05/25/04  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Analysis Date: 05/25/04  
 Sampling Date: 05/25/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-4	REMEDATION WELL #1	440
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
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*Amy Hill*  
 Chemist

5/25/04  
 Date

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ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

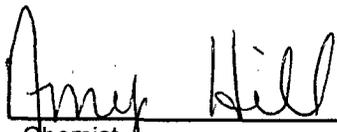
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Project Location: NOT GIVEN

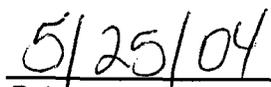
Analysis Date: 05/25/04  
Sampling Date: 05/25/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-5	REMEDATION WELL #2	11097
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
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\_\_\_\_\_  
Chemist

  
\_\_\_\_\_  
Date

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**ARDINAL  
LABORATORIES**

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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SALTY DOG  
ATTN: TERRY WALLACE  
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Receiving Date: 05/25/04  
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Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/04  
Sampling Date: 05/25/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8730-6	FRONT WW BY PIT	720
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		4.0
METHOD: Standard Methods		4500-ClB

Amy Hill  
Chemist

5/25/04  
Date



# CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_ of \_\_\_

Company Name: <u>Salt &amp; Dog</u>				<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>								
Project Manager: <u>Terry Wallace</u>				P.O. #: <u>Same</u>												
Address: <u>P.O. Box 513</u>				Company:												
City: <u>Hobbs</u>		State: <u>Nm</u>		Zip: <u>88241</u>		Attn:										
Phone #: <u>393-8352</u>		Fax #: <u>393-8353</u>		Address:												
Project #:		Project Owner:		City:												
Project Name:				State:				Zip:								
Project Location:				Phone #:												
Sampler Name:				Fax #:												
FOR LAB USE ONLY																
Lab I.D.		Sample I.D.		GRAB OR (COMP.	# CONTAINERS	MATRIX				PRESERV.		SAMPLING				
						GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME
<u>H8730-1</u>		<u>Monitor Well #1</u>				✓									<u>5/25/04</u>	
<u>-2</u>		<u>Monitor Well #2</u>				✓									↓	
<u>-3</u>		<u>Monitor Well #3</u>				✓										
<u>-4</u>		<u>Remediation Well #1</u>				✓										
<u>-5</u>		<u>Remediation Well #2</u>				✓										
<u>-6</u>		<u>Front Water Well by Pit</u>				✓										

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Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished:		Date: <u>5/25/04</u>		Received By:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
<u>T. Wallace</u>		Time: <u>10:45 AM</u>				Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Relinquished By:		Date:		Received By: (Lab Staff)		REMARKS:	
		Time:		<u>Amy Hill</u>			
Delivered By: (Circle One)				Sample Condition		Checked By:	
Sampler - UPS - Bus - Other:				Temp, °C		Intact?	
				<input type="checkbox"/> Yes		<input type="checkbox"/> No	
				<input type="checkbox"/> No		(Initials)	

† Cardinal cannot accept verbal changes. Please fax written changes to (915) 673-7020.

# Affidavit of Publication

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled  
Public Notice

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of June 3, 2004 and ending with the issue of June 3, 2004.

And that the cost of publishing said notice is the sum of \$ 50.94 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 3rd day of June 2004.

Debbie Schilling  
Debbie Schilling

Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2006

## PUBLIC NOTICE

Notice is hereby given that pursuant to the New Mexico Oil Conservation Division Regulations, the following application has been submitted for a discharge renewal to the Director of the Oil Conservation Division, P.O. Box 6429, 1220 South Saint Francis Drive, Santa Fe, NM 87505, (505) 476-3440.

The applicant, Salty Dog, Inc., P.O. Box 2724, Lubbock, TX 79408, has applied for a renewal to its existing discharge permit, BW-008. The facility is located approximately 12 miles West of Hobbs on Hwy. 62-180 in the NE1/4 of Section 5, Township 19 S., Range 36 E., Lea Co. NM. The facility produces and sells approximately 800 lbs of brine water per day from an approved brine extraction well. Ground water at this area is found at approximately 60 ft. and has a chloride concentration that ranges from 75 milligrams per liter to 800 milligrams per liter and a total dissolved solids concentration that ranges from 500 milligrams per liter to 1500 milligrams per liter. The facility location is underlain by alluvial sediment and the Ogallala formation. The permit application addresses all phases of its operation.

Any interested person may obtain information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The application may be viewed at the above address or at the Hobbs District Office at 1625 N. French Drive, Hobbs, NM, between 8:00 am and 4:00 pm, Monday thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of the notice, during which comments may be submitted and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

Published in the Lovington Daily Leader June 3, 2004.

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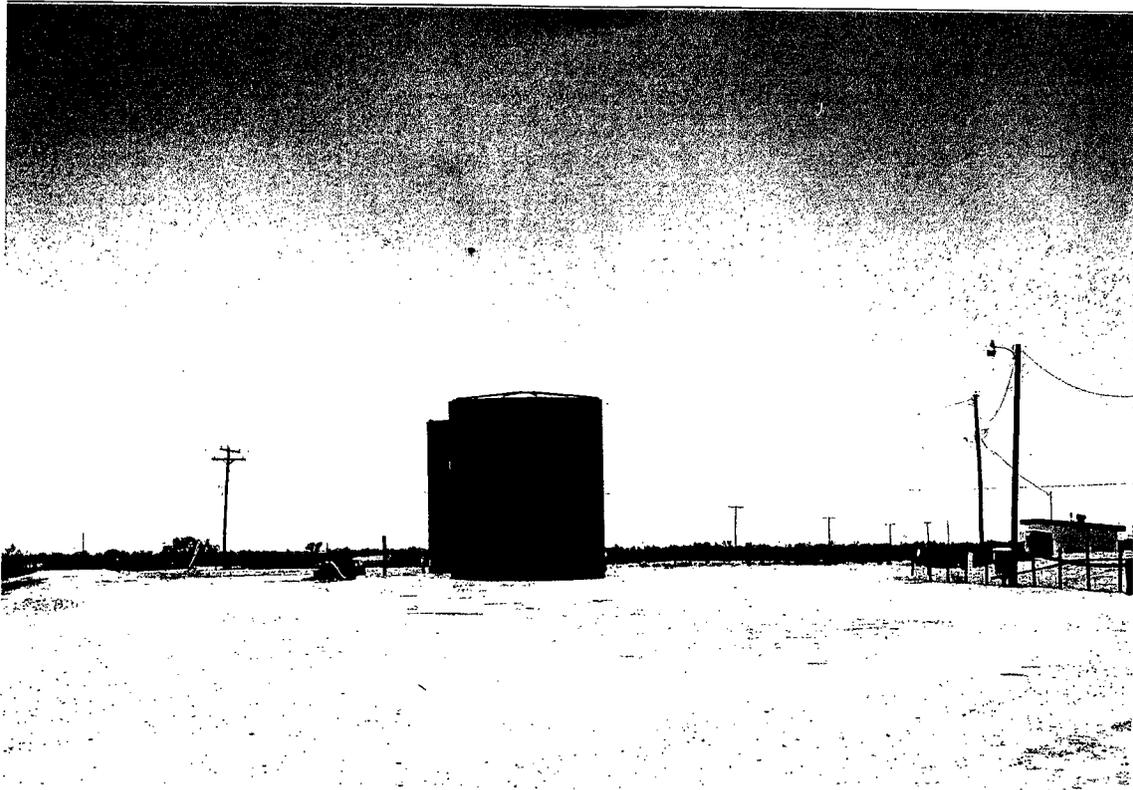
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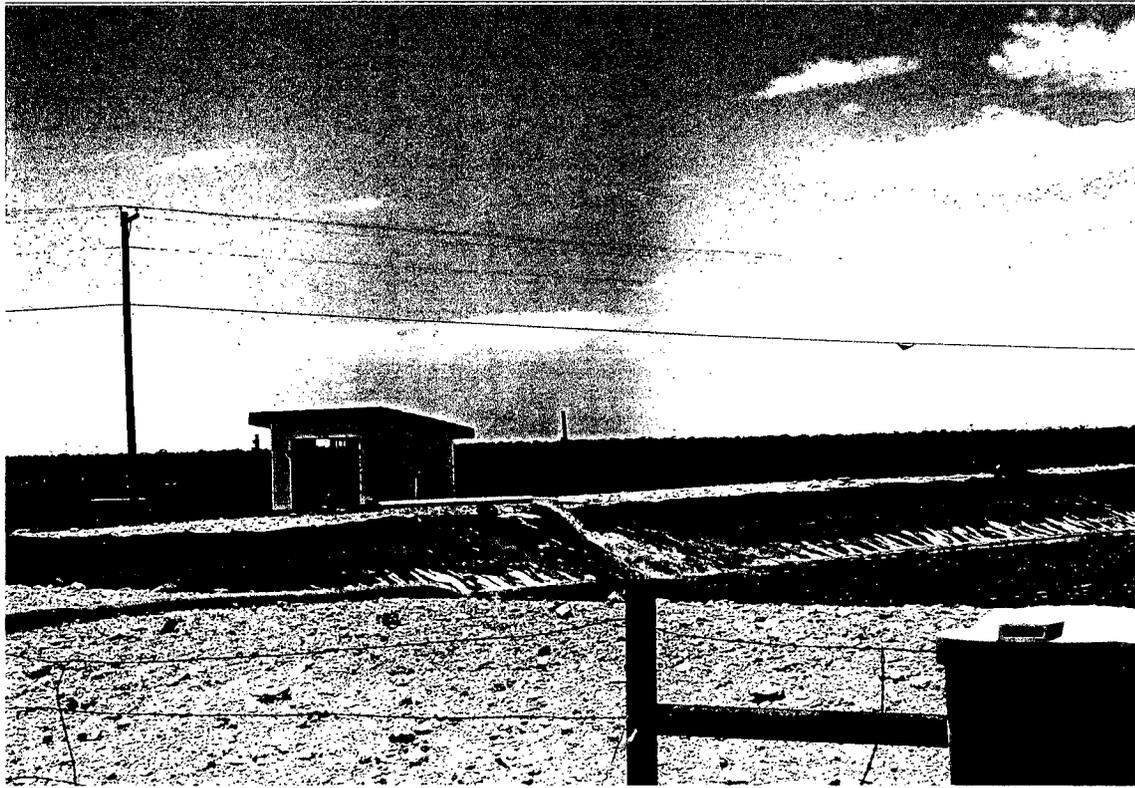
## Aviso Público

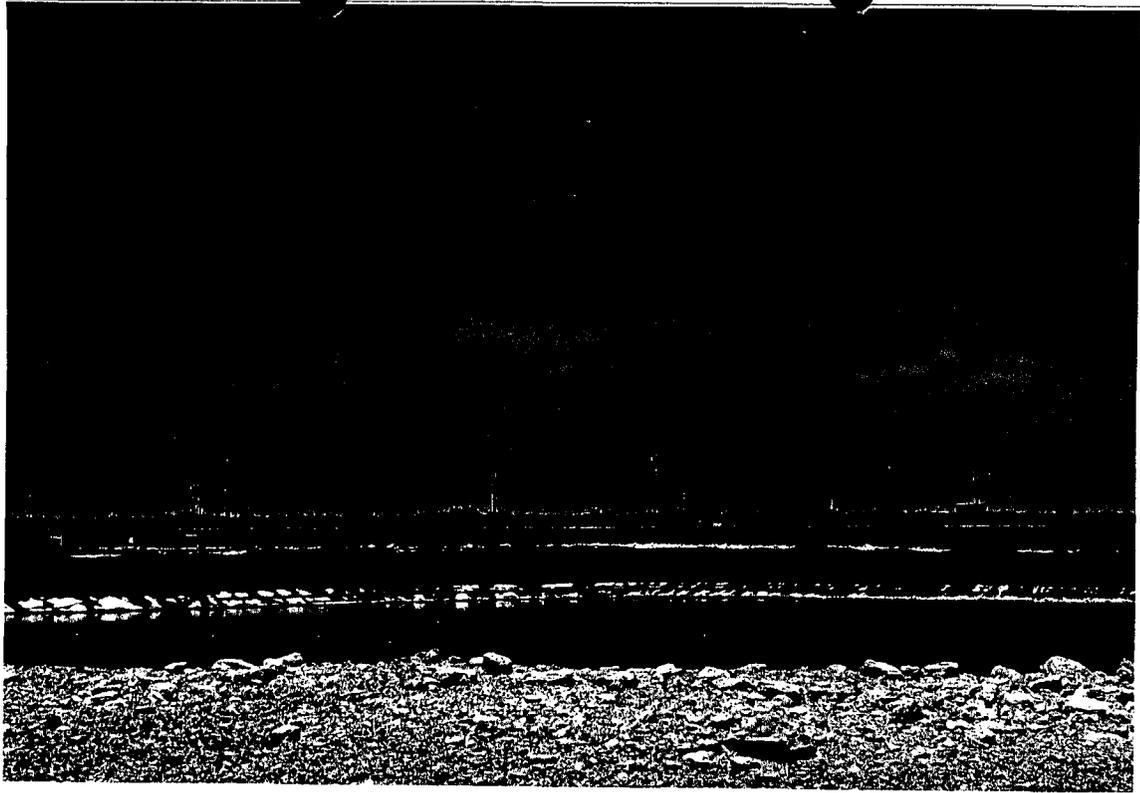
El aviso se da por este medio eso conforme a las regulaciones de la división de la conservación del aceite de New México, el uso siguiente se ha sometido para una renovación de la descarga al director de la división de la conservación del aceite, P.O. Box 6429, impulsión del sur de 1220 Santo Francis, FE de santa, NM 87505, (505)476-3440.

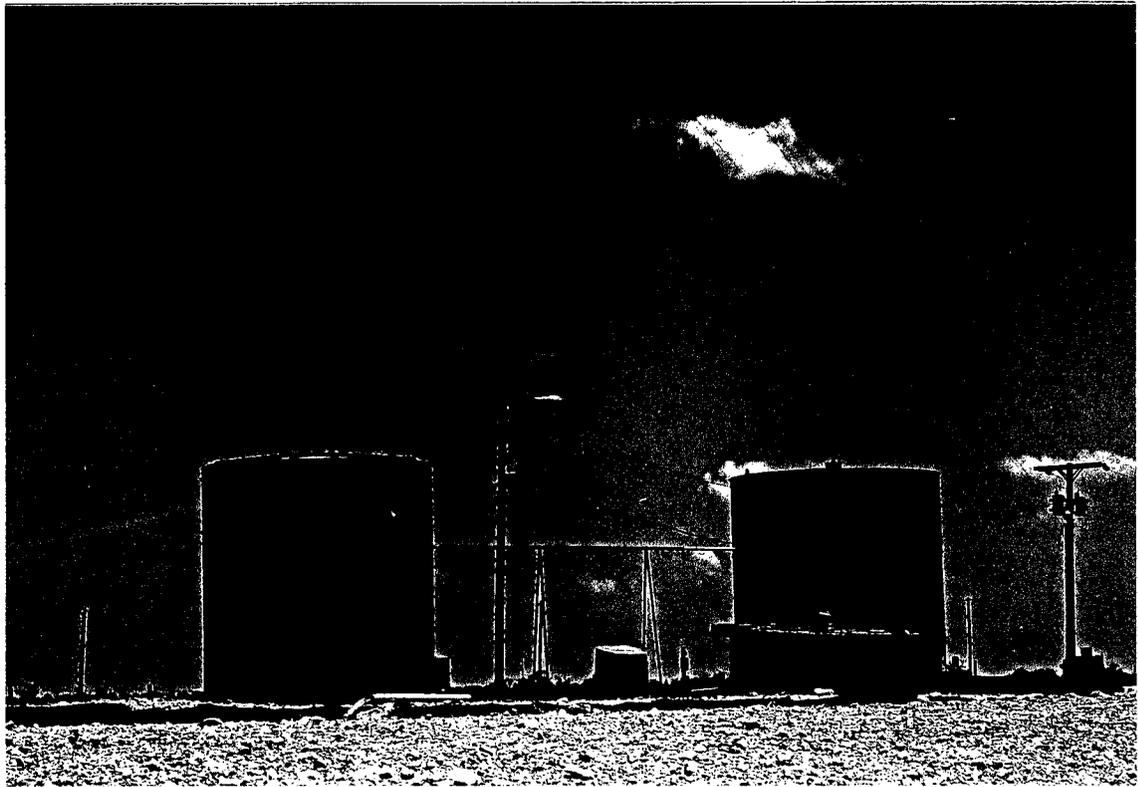
El aspirante, Salty Dog, Inc., P.O. Box 2724, Lubbock, TX 79408, ha solicitado una renovación a su permiso existente de la descarga, BW-008. La facilidad está situada aproximadamente 12 millas al oeste de Hobbs en Hwy. 62-180 en el  $\frac{1}{4}$  del NE de la sección 5, el Municipio 19S., se extiende 36 E., Lea Co., NM. La facilidad produce y vende aproximadamente 800bls. del agua de la salmuera por día de una extracción aprobada de la salmuera bien. La agua subterránea en esta área se encuentra en aproximadamente 60 pies y tiene una concentración del cloruro que se extiende a partir de 75 miligramos por litro a 800 miligramos por litro y una concentración disuelta total de los sólidos que se extiende a partir de 500 miligramos por litro a 1500 miligramos por litro. La localización de la facilidad es sida la base por el sedimento aluvial y la formación de Ogallala. El uso del permiso trata todas las fases de su operación.

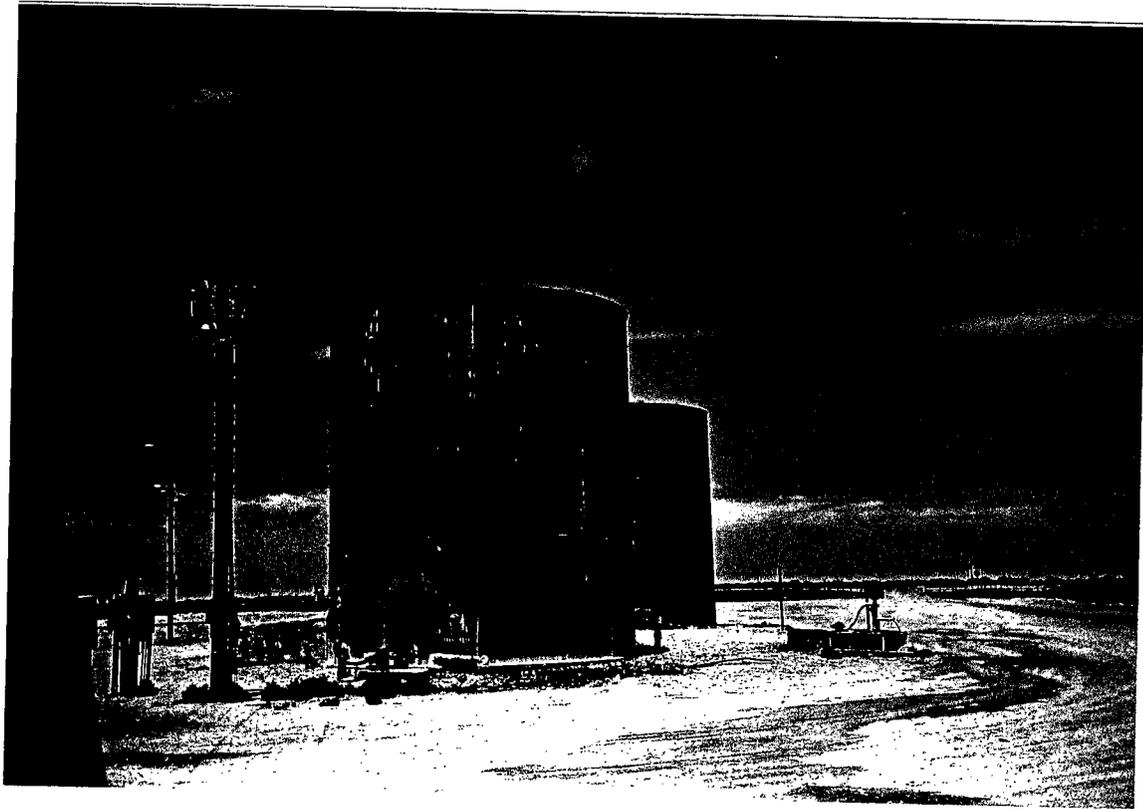
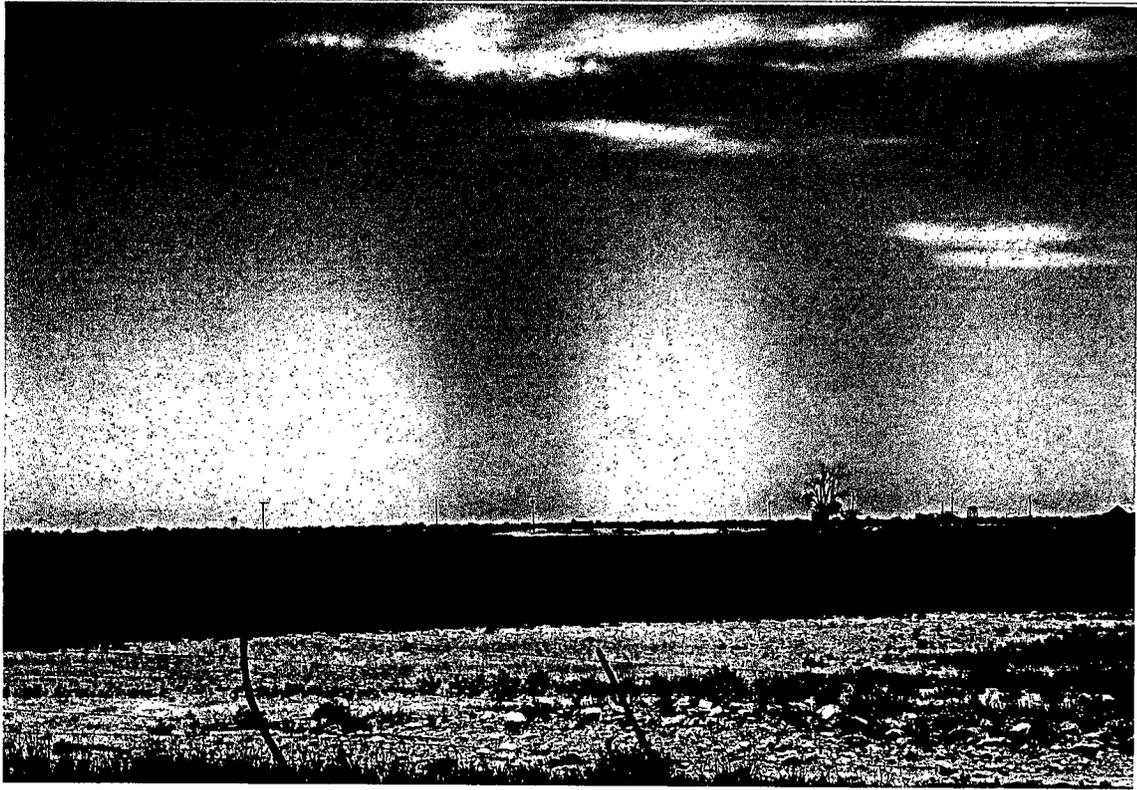
Cualquier persona interesada puede obtener la información de la división de la conservación del aceite y puede someter comentarios escritos al director de la división de la conservación del aceite en la dirección dada arriba. El uso se puede ver en la dirección antedicha o en la oficina de distrito de Hobbs en N. 1625 french Drive, Hobbs, NM, entre 8:00 y 4:00 P.M., lunes por viernes. Antes de la decisión en cualquier uso propuesto, el director de la división de la conservación del aceite dará un plazo por lo menos thirty(30) de días después de la fecha de la publicación del aviso, durante el cual los comentarios pueden ser sometidos y la audiencia pública se puede solicitar por cualquier persona interesada. El pedido la audiencia pública dispondrá las razones por las que una audiencia será llevada a cabo. Una audiencia será llevada a cabo si el director se determina que hay interés público significativo.

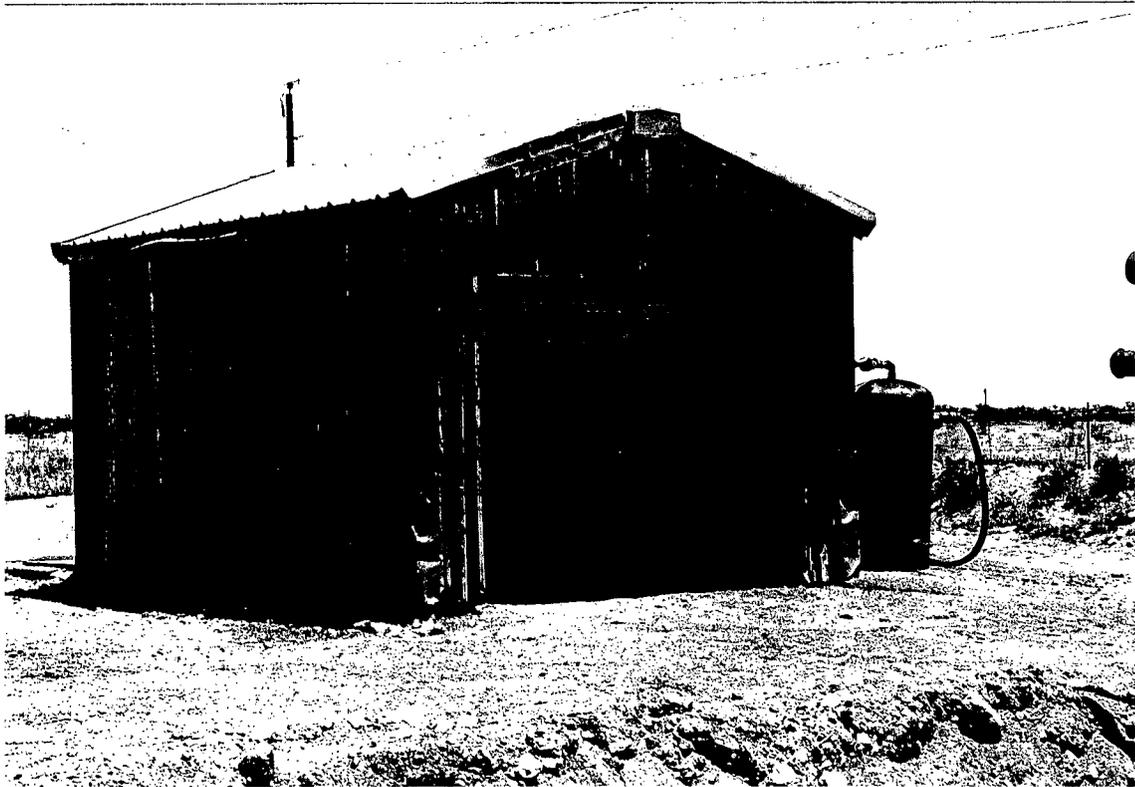


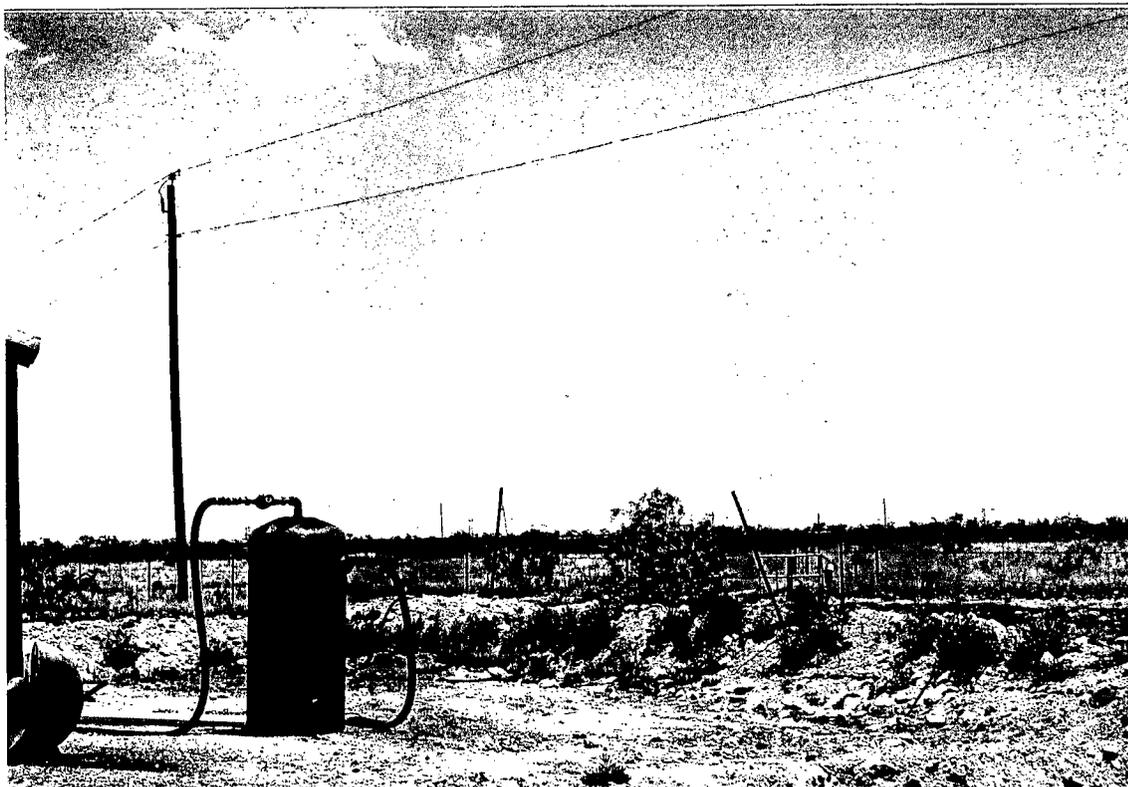












**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Tuesday, August 24, 2004 8:40 AM  
**To:** 'tpayton@nts-online.net'  
**Subject:** RE: Salty Dog Brine Station BW-008 Notice of Violation of Permit Co nditions

I fax the info for your files. If you did not received it call me.

-----Original Message-----

**From:** Terry Payton [mailto:tpayton@nts-online.net]  
**Sent:** Tuesday, August 24, 2004 7:18 AM  
**To:** Price@smtp.nts-online.net; Wayne  
**Subject:** Re: Salty Dog Brine Station BW-008 Notice of Violation of Permit Co nditions

Mr. Price,

I could not get the report or the pictures to print on my printer. Is it possible to fax over a copy of the report and pictures to my office. The fax number is (806) 741-1301. Thank you.

Terry Payton

**On Mon, 23 Aug 2004 17:06 , Price, Wayne <WPrice@state.nm.us> sent:**

Please find enclosed a copy of OCD's inspection report and photos. Salty Dog has 10 days to correct these violations. Please provide proof of correction.

◇ ◇ ◇

Sincerely: ◇

Wayne Price  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
505-476-3487  
fax: 505-476-3462  
E-mail: [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us)

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For more information please visit <http://www.messagelabs.com/email>

---

**Price, Wayne**

---

**From:** Terry Payton [tpayton@nts-online.net]  
**Sent:** Tuesday, August 24, 2004 7:18 AM  
**To:** Price@smtp.nts-online.net; Wayne  
**Subject:** Re: Salty Dog Brine Station BW-008 Notice of Violation of Permit Conditions

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Sincerely: ◇

Wayne Price  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
505-476-3487  
fax: 505-476-3462  
E-mail: [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us)

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8/24/2004



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION  
1220 S. ST. FRANCIS DRIVE  
SANTA FE, NM 87505  
(505) 476-3440  
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

SAR

TO:

TERRY PAYTON

806-741-1301

FROM:

WAYNE PRICE

DATE:

8/24/04

PAGES:

5

SUBJECT:

VIOLATION of PERMIT CONDITIONS

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE  
NUMBER ABOVE.

## Price, Wayne

---

**From:** Price, Wayne  
**Sent:** Monday, August 23, 2004 5:07 PM  
**To:** Piter Bergstein (E-mail); Eddie Seay (E-mail)  
**Cc:** Williams, Chris; Sheeley, Paul; Johnson, Larry  
**Subject:** Salty Dog Brine Station BW-008 Notice of Violation of Permit Conditions

Please find enclosed a copy of OCD's inspection report and photos. Salty Dog has 10 days to correct these violations. Please provide proof of correction.



Aug 19 04  
inspection.jpg



DCP02198.JPG



DCP02203.JPG



DCP02201.JPG

Sincerely:

Wayne Price  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
505-476-3487  
fax: 505-476-3462  
E-mail: [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us)

**SALTY DOG  
P.O. BOX 2724  
LUBBOCK, TX 79408**

February 13, 2004

Wayne Price  
New Mexico Energy, Minerals and  
Natural Resources Dept.  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Salty Dog Brine Station

Dear Mr. Price,

We have enclosed the analytical results from the water supply well located 115 ft. down gradient of the brine pond.

We also checked the monitor well West of the brine pond and found no evidence of leaked fluid.

Hope this meets your approval.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pieter Bergstein', with a large, sweeping initial 'P'.

Pieter Bergstein

February 10, 2004



Mr. Wayne Price  
New Mexico Oil Conservation Division  
Environmental Bureau  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Via Certified Mail

RE: Discontinuance of Consulting Services  
Salty Dog Brine Pond Leak Site  
Lea County, New Mexico

Mr. Price:

Environmental Technology Group, Inc. (ETGI) is contacting you at this time to inform you that as of Thursday, January 15, 2004 we will no longer be providing environmental consulting services at the above referenced facility.

If you have any questions, please contact me at 505-397-4882.

Thank you.

Sincerely,  
ENVIRONMENTAL TECHNOLOGY GROUP, INC

Robert B. Eidson  
Geologist / Senior Project Manager

cc: Hobbs Project File



Midland, TX: 915-262-5952  
4600 W. Wall, 79703  
Houston, TX: 281-484-3939  
12727 Featherwood Drive,  
Suite 220, 77034



Midland, TX: 915-522-1484  
4600 W. Wall, 79703  
Hobbs, NM: 505-391-0908  
2540 W. Marland, 88240



Midland, TX: 915-262-5627  
2057 Commerce, 79703



Midland, TX: 915-522-1139  
4600 W. Wall, 79703  
Houston, TX: 281-484-3595  
12727 Featherwood Drive,  
Suite 220, 77034  
Hobbs, NM: 505-397-4882  
2540 W. Marland, 88240



Midland, TX: 915-520-7720  
2057 Commerce, 79703



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 SALTY DOG  
 ATTN: TERRY WALLACE  
 P.O. BOX 513  
 HOBBS, NM 88241  
 FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
 Reporting Date: 01/28/04  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Analysis Date: 01/28/04  
 Sampling Date: 01/28/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: GP  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-1	MAIN WATER WELL	856
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

Amy Hill  
 Chemist

1/28/04  
 Date

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**SALTY DOG  
P.O. Box 2724  
Lubbock, TX 79408**

**RECEIVED**

FEB 2 2004

**Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505**

January 30, 2004

Wayne Price  
New Mexico Energy, Minerals and  
Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Salty Dog Brine Station Progress Report

Dear Mr. Price,

We would like to update you on our current progress.

1. Request for loading sumps which have now been installed at each of the 3 loading stations trapping and collecting all spilled fluids from loading brine and unhooking hose connections.
2. To date we have installed 3 monitor wells and 2 recovery wells and have pumped a total of 518,400 gallons which we have used in the make up of brine.
3. To date all wells are installed and samples have been taken. We have attached all analytical results from each well, and have already seen a reduction in the chloride levels detected.
4. You have requested a ground water monitor well by the brine pond for which at this time we request that we may use our fresh water well located at the tank about 115 ft. down gradient from the brine pond. We are in the process of building a tap to take samples which should be finished by next week. See diagram.
5. It is our recommendation to continue sampling on a regular basis (60) days to

show that the 2 recovery wells are reducing the chloride levels in the affected water table. Also, we will provide you within the next 15 days an analytical result from the water well by the brine pond.

Hope this progress meets your approval so we may continue.

Sincerely,

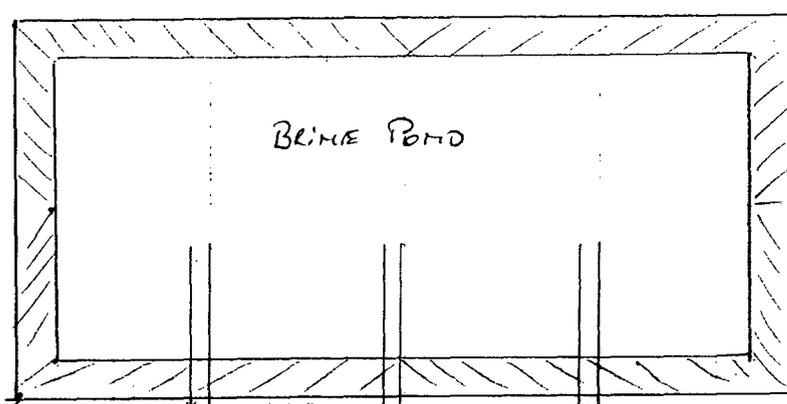
A handwritten signature in black ink, appearing to read 'Pieter Bergstein'. The signature is stylized with a large, sweeping initial 'P' and a long, horizontal tail.

Pieter Bergstein

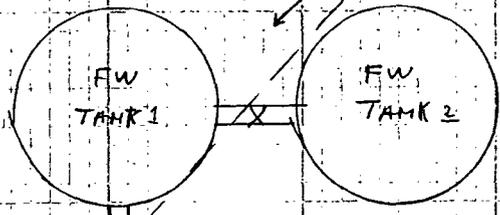
WEST ↑

SOUTH ←

NORTH →



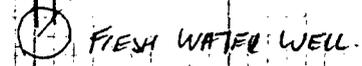
LOADING POTS



115 FT →

FW TANK 1

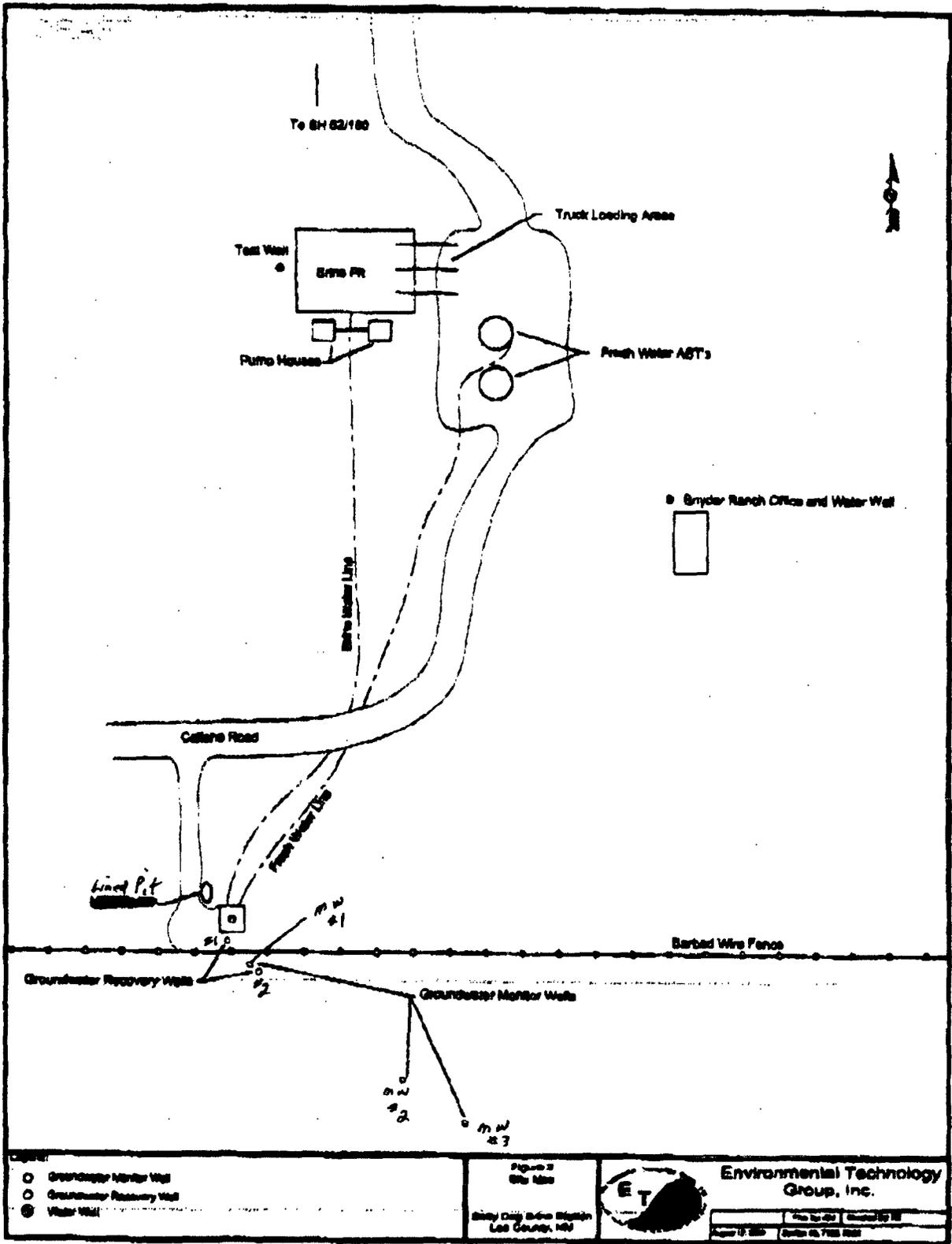
FW TANK 2



FRESH WATER WELL

FENCE LINE

EAST ↓





PHONE (815) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 SALTY DOG  
 ATTN: TERRY WALLACE  
 P.O. BOX 513  
 HOBBS, NM 88241  
 FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
 Reporting Date: 01/28/04  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Analysis Date: 01/28/04  
 Sampling Date: 01/28/04  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL & INTACT  
 Sample Received By: GP  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-3	REMEDIATED WELL #2	8997
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

Amy Hill  
 Chemist

1/28/04  
 Date

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LABORATORIES**

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ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
Reporting Date: 01/28/04  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 01/28/04  
Sampling Date: 01/28/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: GP  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-2	REMEDIATED WELL #1	432
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0

METHOD: Standard Methods	4500-ClB
--------------------------	----------

Amy Hill  
Chemist

1/28/04  
Date

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PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
Reporting Date: 01/28/04  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 01/28/04  
Sampling Date: 01/28/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: GP  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-4	MW #1	4799
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-ClB

*Amy Hill*  
\_\_\_\_\_  
Chemist

1/28/04  
\_\_\_\_\_  
Date

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PHONE (815) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
Reporting Date: 01/28/04  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 01/28/04  
Sampling Date: 01/28/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: GP  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-5	MVV #2	352
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-Cl <sup>-</sup> B

Amy Hill  
Chemist

1/28/04  
Date

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PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-8353

Receiving Date: 01/28/04  
Reporting Date: 01/28/04  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

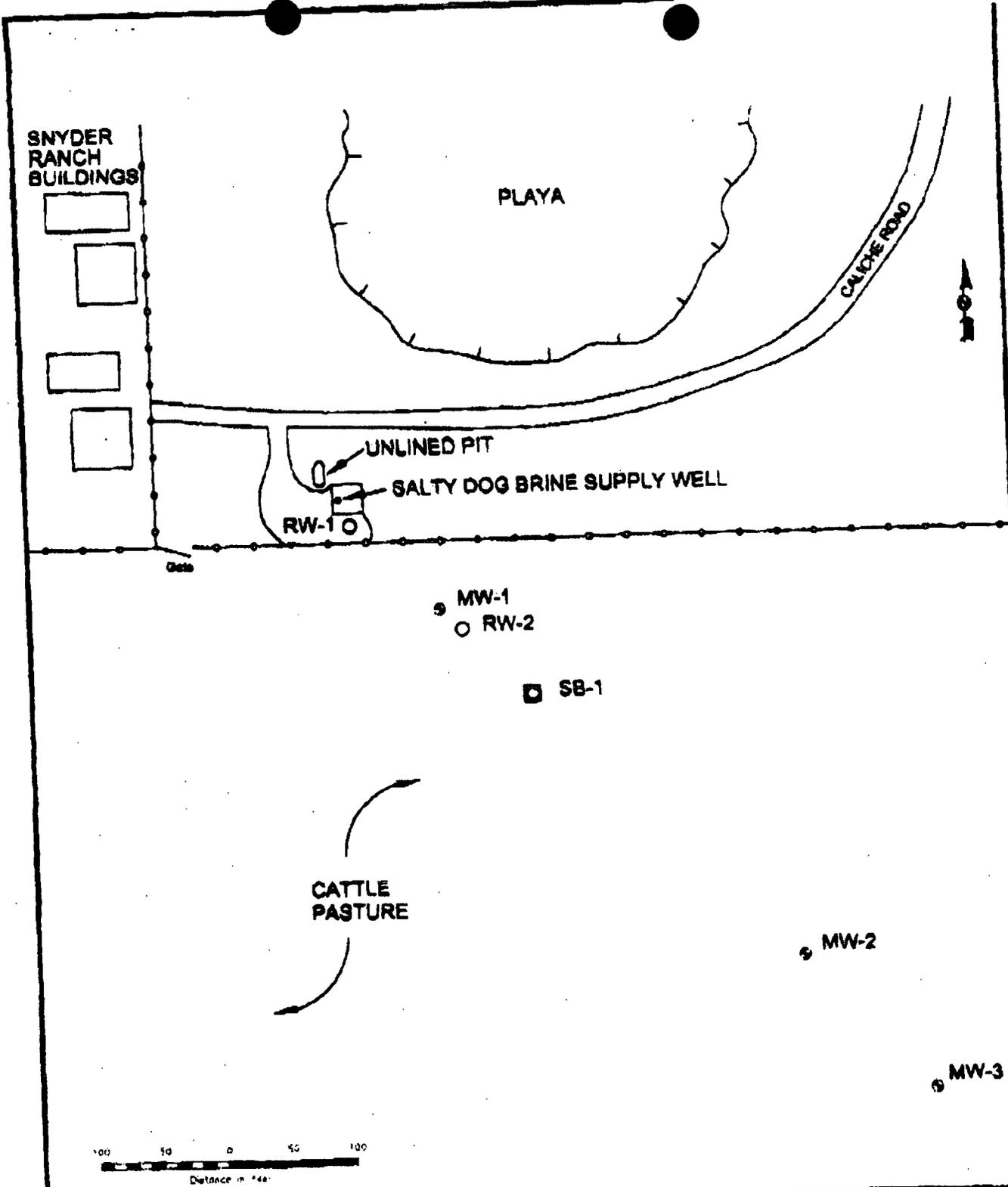
Analysis Date: 01/28/04  
Sampling Date: 01/28/04  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: GP  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H8414-6	MW #3	360
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-ClB

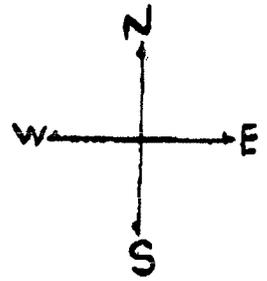
Amy Hill  
Chemist

1/28/04  
Date

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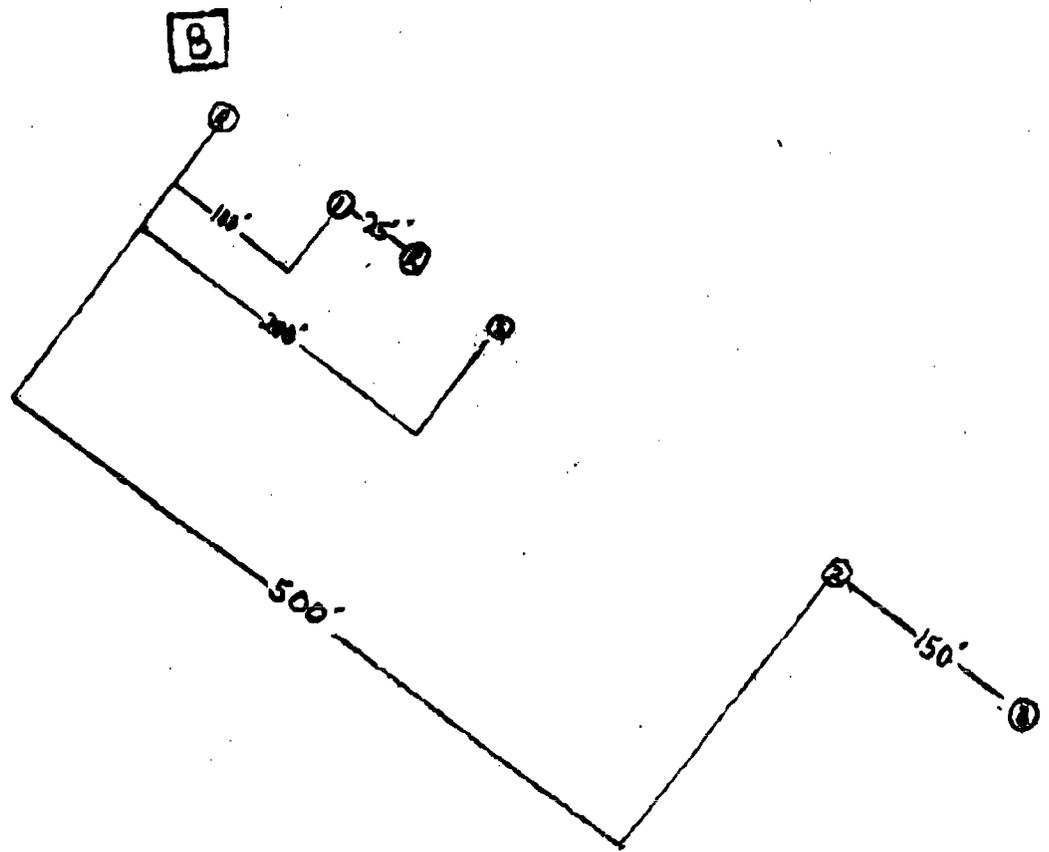


<p><b>Legend</b></p> <ul style="list-style-type: none"> <li>● Groundwater Monitor Well</li> <li>○ Groundwater Recovery Well</li> <li>□ Water Well</li> <li>○ Salt Spring</li> <li>○ Observation Well</li> </ul>	<p><b>Figure 2A</b></p> <p>Supply Well A/B/C Ditch</p> <p>Salty Dog Brine Station Lea County, NM</p>
---	--



⊙

⊙



- ⊠ Brine Well
- ⊙ Recovery wells
- ⊙ Monitor Well #1
- ⊙ Test Borings
- ⊙ Monitor Well #2
- ⊙ Water Wells



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

October 2, 2003

**Lori Wrotenbery**  
Director  
**Oil Conservation Division**

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 3929 9932**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

**Subject:**     **Remedial actions to be taken in response to the Notice of Violation**

Re:     Discharge Plan BW-008  
       Salty Dog Inc. Brine Station

Dear Mr. Bergstein:

New Mexico Oil Conservation Division (NMOCD) is in receipt of the work plan outlining remedial actions to be taken in response to the Notice of Violation issued to Salty Dog Inc. July 08, 2003. The plan is hereby approved with the following conditions:

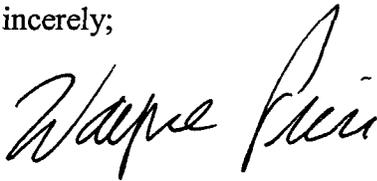
1. Provide a drawing of the loading/unloading sumps for OCD approval by October 15, 2003.
2. The two recovery wells shall be in operation by no later than November 15, 2003. All recovery water shall be metered and recorded.
3. All plume delineation wells shall be installed and completed pursuant to OCD previously approved methods. Wells shall be designed and installed to compensate for density gradient effects, if any. Samples shall be collected, analyzed and submitted to OCD by February 01, 2004.
4. A groundwater monitor well shall be installed in close proximity and on the down-gradient side of the brine pond. This plan shall be submitted for OCD approval in the February 01, 2004 report.
5. A progress report shall be submitted by February 01, 2004 with all data collected, conclusions and recommendations.

Mr. Piter Bergstein  
October 02, 2003  
Page 2

Please be advised that NMOCD approval of this plan does not relieve Salty Dog Inc. of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Salty Dog Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Failure to abide by the proposed plan and these requirements will result in a compliance order being issued to Salty Dog Inc. requiring actions to be taken including civil penalties as allowed by the New Mexico WQCC regulations. If you have any questions please do not hesitate to contact me within 30 days at 505-476-3487 or e-mail [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us).

Sincerely;

A handwritten signature in cursive script that reads "Wayne Price". The signature is written in black ink and is positioned below the word "Sincerely;".

Wayne Price-Pet. Engr. Spec.

cc: OCD Hobbs Office



August 14, 2003

**RECEIVED**

Mr. Wayne Price  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505

AUG 18 2003  
OIL CONSERVATION  
DIVISION

RE: Salty Dog Brine Station  
Discharge Plan: BW-008  
ETGI Project Number: SB 2100

Dear Mr. Price:

A signed work plan outlining proposed remedial actions in response to the Notice of Violation dated July 8, 2003 is enclosed. If you have any questions or if additional information is needed, please contact Robert B. Eidson at the numbers below.

Sincerely,  
ENVIRONMENTAL TECHNOLOGY GROUP, INC.

Robert B. Eidson  
Geologist / Senior Project Manager  
(505) 397-4882 office  
(505) 631-2974 cell  
[reidson@etgi.cc](mailto:reidson@etgi.cc)

Attachments: Work Plan

cc: Hobbs project file  
Midland project file



**WORK PLAN  
RESPONSE TO NOTICE OF VIOLATION  
JULY 08, 2003**

**Zia Transportation  
Salty Dog Brine Station  
Discharge Plan BW-008  
Lea County, New Mexico  
Section 05, Township 19 South, Range 36 East**

Prepared for:

**Mr. Piter Bergstein  
Salty Dog, Inc.  
P.O. Box 2724  
Lubbock, Texas 79408**

ETGI Project No. SR 2100

Prepared by:

**Environmental Technology Group, Inc.  
2540 West Marland Street  
Hobbs, NM 88240**

**August 2003**

## 1.0 Introduction

On behalf of Salty Dog, Inc., Environmental Technology Group, Inc. (ETGI) has prepared this Work Plan in response to the Notice of Violation (*NOV*) from the New Mexico Oil Conservation Division (NMOCD), dated July 08, 2003, concerning Discharge Plan BW-008, Salty Dog Brine Station. The facility is located in Section 05, Township 19 South, Range 36 East, rural Lea County, New Mexico. For reference, a site location map and a site plan are included as Figures 1 and 2, respectively. The purpose of this work plan is to outline the proposed response to conditions considered to be in violation listed in the above referenced *NOV*.

The facility is a brine water processing station consisting of one fresh water well, one brine well, one brine pit, three truck loading positions and two 1,000-barrel fresh water above ground storage tanks (AST).

## 2.0 Scope of Work

According to item one in the *NOV*, referencing a violation of discharge plan condition # 21, Spill Reporting. The AST that was discharging water onto the ground has been permanently removed from the site. Soil samples will be collected from the location of the former AST in two positions at depths of four and eight feet below ground surface (bgs) utilizing a hand auger and submitted for laboratory analysis for chloride concentrations. Soil samples will also be collected from the area adjacent to the southern edge of the playa and from within the playa and analyzed for chlorides. All soil samples will be collected and analyzed according to the methods listed in Section 4.1 Soil Sampling, below.

Referencing item two in the *NOV*, a violation of discharge plan condition #16 Below Grade Tanks/Sumps/Pits. The unpermitted pit was excavated coinciding with brine well work over activities conducted in August 1999. The pit is not utilized in the day-to-day operations of the facility and will be closed following the Unlined Surface Impoundment Closure Guidelines dated February 1993, New Mexico Energy, Minerals and Natural Resources Department.

Referencing item three in the *NOV*, a violation of discharge plan condition #26 Groundwater Contamination. Existing groundwater monitor wells, recovery wells and water wells on-site will be sampled and analyzed for General Chemistry and Water Quality Control Commission (WQCC) Metals concentrations utilizing the methods listed in Section 4.2 Groundwater Sampling below. Analysis of the groundwater sampling results will be used to design the well field configuration necessary for plume delineation activities at the site. The precise number of additional wells installed will be determined by the results of the field investigation conducted for plume delineation purposes. Following completion of plume delineation action, groundwater recovery wells will be installed in locations designed to achieve hydraulic control of the plume and in areas of the highest chloride concentrations.

Referencing item four in the *NOV*, a violation of discharge plan condition #21 Process Areas. Below grade sumps will be constructed using 500-gallon poly-tanks surrounded by a sand layer sealed on the surface by a concrete pad with berms and installed in each of the three truck

**8.0 References**

Guidelines for Remediation of Leaks, Spills and Releases; August 1993 (NMOCD, 1993);

Title 19; New Mexico Administrative Code (NMAC) 15.A.19;

Title 20; NMAC 6.2.3104;

Practical Techniques for Groundwater and Soil Remediation; Evan K. Nyer, CRC Press, 1993;  
and;

Remediation of Petroleum Contaminated Soils; Eve-Riser-Roberts, Lewis Publishers, CRC  
Press, 1998.

  
\_\_\_\_\_  
Mr. Terry Wallace  
Operations Manager  
Salty Dog, Inc.

  
\_\_\_\_\_  
Chance I. Johnson  
New Mexico Regional Manager  
Environmental Technology Group, Inc.

RECEIVED  
JAN 03 2003  
Environmental Bureau  
Oil Conservation Division

December 18, 2002

NMOCD Environmental  
ATTN: Wayne Price  
Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

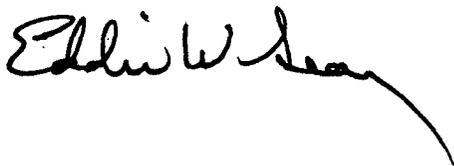
RE: Salty Dog Brine

Mr. Price:

As required, Zia, Salty Dog Brine, has inspected the leak detection monitor well at its brine pit. The inspection hole was dry and contained no fluid. Now that it has been brought to our attention, we will inspect this on regular schedule.

Thanks for your help.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236



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JAN 03 2003

Environmental Bureau  
Oil Conservation Division



**SALTY DOG  
WATER STATION**

*In Case Of Emergency Or Information*

**(505)393-8352**

003 NC BANCON NNN 0 0434

(No. 12A)

54748

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JAN 03 2003  
Environmental Bureau  
Oil Conservation Division



002 NA BARREN INN 0 0434

<No. 13A>

54747

RECEIVED  
JAN 03 2003  
Environmental Branch  
Of Conservation District



Eott Leah  
34 Linc  
37E

11-14-02 Salty Dog Brine Sta.

Sample ID	Hz	Parameter
0211141118	Leaking Tank Pond H <sub>2</sub> O	Gen. Chem
0211141120	Wood plugged tank leak H <sub>2</sub> O	"
0211141128	Stock tank N. of Pump house H <sub>2</sub> O	"
0211141130	North Playa Pond H <sub>2</sub> O	"
0211141323	South of Playa 4.0z soil	"
0211141325	" " " "	TPH+BTEX

225 37E

Nie Kowden

631-4158  
910-5743

Sampled (4) 1-L water w/w. Price  
A Leary Johnson

Sampled (2) 4.0z soil w/w. Price  
(1) Gen chem (1) TPH+BTEX

N@Conoco.com

Lovato

about Salty Dog  
- from GW  
- always tried  
- TDS 1407





# TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298  
 155 McCutcheon, Suite H El Paso, Texas 79932 888•588•3443 915•585•3443 FAX 915•585•4944  
 E-Mail: lab@traceanalysis.com

Bill To: **OCD**  
 1220 S. Saint Francis Dr.  
 Santa Fe, NM 87505

Attn: **Wayne Price**

**RECEIVED**  
**JAN 03 2003**  
 Environmental Bureau  
 Oil Conservation Division

**Invoice # 56171**  
 Invoice Date: **Dec 13, 2002**  
 Order ID: **A02111526**

Project #:	<b>Zia Brine Station</b>		
Project Name:	<b>Salty Dog</b>	P. A. Number:	<b>20-521-07-02497</b>
Project Location:	<b>Salty Dog Brine Station</b>		

Test	Quantity	Matrix	Description	Price	SubTotal
TPH DRO	1	Soil	213789 - 213789	\$40.00	\$40.00
Cations	4	Water	213603 - 213606	\$120.00	\$480.00
Cations	1	Soil	213607 - 213607	\$130.00	\$130.00
BTEX/TPH GRO	1	Soil	213789 - 213789	\$60.00	\$60.00
<i>Payment Terms: Net 30 Days</i>				<b>Total</b>	<b>\$710.00</b>

*Michael T. ...*  
 Director, Dr. Blair Leftwich

*OK Wayne Price*  
*1/2/03*

Report Date: December 12, 2002 Order Number: A02111526  
Zia Brine Station Salty Dog

Page Number: 1 of 3  
Salty Dog Brine Station

## Summary Report

Paul Sheeley  
OCD Hobbs Office  
1625 N. French Drive  
Hobbs, NM 88240

Report Date: December 12, 2002

Order ID Number: A02111526

Project Number: Zia Brine Station  
Project Name: Salty Dog  
Project Location: Salty Dog Brine Station

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Environmental Bureau  
Oil Conservation Division

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
213603	0211141118	Water	11/14/02	11:18	11/15/02
213604	0211141120	Water	11/14/02	11:20	11/15/02
213605	0211141128	Water	11/14/02	11:28	11/15/02
213606	0211141131	Water	11/14/02	11:31	11/15/02

0 This report consists of a total of 3 page(s) and is intended only as a summary of results for the sample(s) listed above.

### Sample: 213603 - 0211141118

Param	Flag	Result	Units
Hydroxide Alkalinity		<1.0	mg/L as CaCo3
Carbonate Alkalinity		<1.0	mg/L as CaCo3
Bicarbonate Alkalinity		102	mg/L as CaCo3
Total Alkalinity		102	mg/L as CaCo3
Specific Conductance		64600	$\mu$ MHOS/cm
Chloride		33500	mg/L
Fluoride		<10	mg/L
Nitrate-N		<10	mg/L
Sulfate		6250	mg/L
Dissolved Calcium		1440	mg/L
Dissolved Magnesium		52.4	mg/L
Dissolved Potassium		68.8	mg/L
Dissolved Sodium		19900	mg/L
Total Dissolved Solids		66900	mg/L
pH	1	7.9	s.u.

### Sample: 213604 - 0211141120

Param	Flag	Result	Units
Hydroxide Alkalinity		<1.0	mg/L as CaCo3
Carbonate Alkalinity		<1.0	mg/L as CaCo3
Bicarbonate Alkalinity		132	mg/L as CaCo3

Continued on next page ...

<sup>1</sup>The sample was received out of holding time

This is only a summary. Please, refer to the complete report package for quality control data.

Report Date: December 12, 2002 Order Number: A02111526  
Zia Brine Station Salty Dog

Page Number: 2 of 3  
Salty Dog Brine Station

Sample 213604 continued ...

Param	Flag	Result	Units
Total Alkalinity		132	mg/L as CaCo3
Specific Conductance		89100	$\mu$ MHOS/cm
Chloride		59300	mg/L
Fluoride		<10	mg/L
Nitrate-N		<10	mg/L
Sulfate		5080	mg/L
Dissolved Calcium		1140	mg/L
Dissolved Magnesium		101	mg/L
Dissolved Potassium		120	mg/L
Dissolved Sodium		35800	mg/L
Total Dissolved Solids		105200	mg/L
pH	2	7.4	s.u.

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JAN 03 2003  
Environmental Bureau  
Oil Conservation Division

Sample: 213605 - 0211141128

Param	Flag	Result	Units
Hydroxide Alkalinity		<1.0	mg/L as CaCo3
Carbonate Alkalinity		<1.0	mg/L as CaCo3
Bicarbonate Alkalinity		48	mg/L as CaCo3
Total Alkalinity		48	mg/L as CaCo3
Specific Conductance		53600	$\mu$ MHOS/cm
Chloride		24400	mg/L
Fluoride		<10	mg/L
Nitrate-N		<10	mg/L
Sulfate		4100	mg/L
Dissolved Calcium		1480	mg/L
Dissolved Magnesium		54.4	mg/L
Dissolved Potassium		<50	mg/L
Dissolved Sodium		13700	mg/L
Total Dissolved Solids		48200	mg/L
pH		8.2	s.u.

Sample: 213606 - 0211141131

Param	Flag	Result	Units
Hydroxide Alkalinity		<1.0	mg/L as CaCo3
Carbonate Alkalinity		<1.0	mg/L as CaCo3
Bicarbonate Alkalinity		42	mg/L as CaCo3
Total Alkalinity		42	mg/L as CaCo3
Specific Conductance		41100	$\mu$ MHOS/cm
Chloride		16500	mg/L
Fluoride		<10	mg/L
Nitrate-N		<10	mg/L
Sulfate		3310	mg/L

Continued on next page ...

<sup>2</sup>The sample was received out of holding time

<sup>3</sup>The sample was received out of holding time

This is only a summary. Please, refer to the complete report package for quality control data.

Report Date: December 12, 2002 Order Number: A02111526  
Zia Brine Station Salty Dog

Page Number: 3 of 3  
Salty Dog Brine Station

Sample 213606 continued ...

Param	Flag	Result	Units
Dissolved Calcium		13100	mg/L
Dissolved Magnesium		<50	mg/L
Dissolved Potassium		<50	mg/L
Dissolved Sodium		91300	mg/L
Total Dissolved Solids		35200	mg/L
pH	4	8.9	s.u.

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JAN 03 2003  
Environmental Bureau  
Oil Conservation Division

<sup>4</sup>The sample was received out of holding time

This is only a summary. Please, refer to the complete report package for quality control data.

Report Date: December 13, 2002 Order Number: A02111526  
Zia Brine Station Salty Dog

Page Number: 1 of 1  
Salty Dog Brine Station

## Summary Report

Paul Sheeley  
OCD Hobbs Office  
1625 N. French Drive  
Hobbs, NM 88240

Report Date: December 13, 2002

Order ID Number: A02111526

Project Number: Zia Brine Station  
Project Name: Salty Dog  
Project Location: Salty Dog Brine Station

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JAN 03 2003  
Environmental Bureau  
Oil Conservation Division

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
213607	0211141323	Soil	11/14/02	13:23	11/15/02
213789	0211141325	Soil	11/14/02	13:25	11/15/02

0 This report consists of a total of 1 page(s) and is intended only as a summary of results for the sample(s) listed above.

Sample - Field Code	BTEX					TPH DRO	TPH GRO
	Benzene (ppm)	Toluene (ppm)	Ethylbenzene (ppm)	M,P,O-Xylene (ppm)	Total BTEX (ppm)	DRO (ppm)	GRO (ppm)
213607 - 0211141323	<0.010	0.0144	<0.010	0.0643	0.0787	-	-
213789 - 0211141325	<0.010	0.081	0.044	0.256	0.381	8120	3.53

### Sample: 213607 - 0211141323

Param	Flag	Result	Units
Hydroxide Alkalinity		<1.0	mg/Kg as CaCo3
Carbonate Alkalinity		<1.0	mg/Kg as CaCo3
Bicarbonate Alkalinity		72	mg/Kg as CaCo3
Total Alkalinity		72	mg/Kg as CaCo3
Specific Conductance		50600	$\mu$ MHOS/cm
Chloride		27900	mg/Kg
Fluoride		< 2	mg/Kg
Nitrate-N		7.26	mg/Kg
Sulfate		3740	mg/Kg
Total Calcium		45200	mg/Kg
Total Magnesium		2100	mg/Kg
Total Potassium		2150	mg/Kg
Total Sodium		21600	mg/Kg
pH		7.7	s.u.

This is only a summary. Please, refer to the complete report package for quality control data.

6701 Aberdeen Avenue, Ste. 9  
Lubbock, Texas 79424  
Tel (806) 794-1296  
Fax (806) 794-1298  
1 (800) 378-1296

# TraceAnalysis, Inc.

155 McCutcheon, Suite H  
El Paso, Texas 79932  
Tel (915) 585-3443  
Fax (915) 585-4944  
1 (888) 588-3443

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

LAB Order ID # AD2111526

Company Name: New Mexico Oil Conservation Div. Phone #: (505) 476-3487 SF.  
(505) 393-6161 x113 Hobbs  
Address: (Street, City, Zip) 1625 N. French Dr., Hobbs, NM 88240 Fax #: (505) 476-3440 SF  
(505) 393-0720 Hobbs  
Contact Person: Paul Sheeley (Hobbs) Wayne Price (Santa Fe)  
Invoice to: (If different from above) 1220 S. St. Francis Dr, Santa Fe, NM 87505  
Project #: Zia Brine Station Project Name: Salty Dog  
Project Location: Salty Dog Brine Station Sampler Signature: Paul Sheeley

### ANALYSIS REQUEST

(Circle or Specify Method No.)

MTBE 8021B/602	TPH 418.1/TX1005	TCLP Volatiles	GC/MS Vol. 8260B/624	TPH 630 DBO
BTEX 8021B/602	PAH 8270C	TCLP Semi Volatiles	GC/MS Semi. Vol. 8270C/625	General Chemistry - anions, cations
Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Pesticides	PCB's 8082/608	TDS all card
Oil Conservation Division	Environmental Bureau	RCI	Pesticides 8081A/608	
		RECEIVED	BOD, TSS, pH	
		IAN 03 2003		

LAB # (LAB USE ONLY)	FIELD CODE	# CONTAINERS	Volume/Amount	MATRIX				PRESERVATIVE METHOD					SAMPLING	
				WATER	SOIL	AIR	SLUDGE	HCl	HNO <sub>3</sub>	H <sub>2</sub> SO <sub>4</sub>	NaOH	ICE	NONE	DATE
213603	02114118	1	1L	X							X		11/4/02	1118
04	021141120	1	1L	X							X		"	1120
05	021141128	1	1L	X							X		"	1128
06	021141131	1	1L	X							X		"	1131
07	021141323	1	1/2	X							X		11/4/02	1323
<del>213607</del> 213789	021141325	1	1/2	X							X		11/4/02	1325

Relinquished by: Paul Sheeley Date: 11-14-02 Time: 15:00  
Received by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Relinquished by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Received by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Relinquished by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
Received at Laboratory by: Vicki Denny Date: 11-15-02 Time: 10:00

**LAB USE ONLY**  
Intact Y / N  
Headspace Y / N  
Temp 4  
Log-in Review NA

REMARKS: 213607- soil insufficient sample for TDS test.  
1/4 will call  
P & F 12/16/02  
 Check If Special Reporting Limits Are Needed

Submission of samples constitutes agreement to Terms and Conditions listed on reverse side of C.O.C.  
**ORIGINAL COPY**

Carrier # TNM-0 902928 159 1

**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Thursday, October 31, 2002 1:37 PM  
**To:** 'seay04@leaco.net'; 'pabpayton@aol.com'  
**Cc:** Sheeley, Paul; Johnson, Larry  
**Subject:** Zia Salty Dog Brine well

**Contacts:** Eddie Seay

Dear Mr. Seay:

The OCD is in receipt of the Groundwater Remediation report dated September 2002. Please note action item # 7 of OCD's letter dated April 08, 2002. Please address this issue within 30 days. Please install a minimum of three addition monitor wells. One well shall be located in line and directly down gradient of the existing wells. The other two wells shall be located to the south and east of the existing MW#3.

Sincerely:



Wayne Price  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
505-476-3487  
fax: 505-476-3462  
E-mail: WPRICE@state.nm.us

July 11, 2002

NMOCD Environmental  
ATTN: Wayne Price  
Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

RE: Zia Transportation, Salty Dog

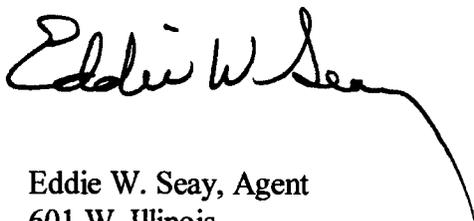
Mr. Price:

Find within quarterly analytical from Zia, Salty Dog remediation project. It appears the chlorides are continuing to drop.

The WW sample was taken from the water storage and not the well, this was for Zia's information.

If you have any questions or need anything else, please call.

Sincerely,

A handwritten signature in cursive script that reads "Eddie W. Seay". The signature is written in black ink and has a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236





PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 391-9732

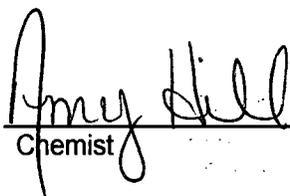
Receiving Date: 07/08/02  
Reporting Date: 07/09/02  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 07/09/02  
Sampling Date: 07/08/02  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H6864-1	MONITOR WELL 1	12596
H6864-2	MONITOR WELL 2	490
H6864-3	REMEDICATION WELL	8997
H6864-4	WW BY PIT FRONT	580
Quality Control		1000
True Value QC		1000
% Recovery		100
Relative Percent Difference		4.0

METHOD: Standard Methods	4500-ClB
--------------------------	----------

  
\_\_\_\_\_  
Chemist

7-9-02  
\_\_\_\_\_  
Date

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



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor  
**Betty Rivera**  
Cabinet Secretary

April 08, 2002

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 7923 4207**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Groundwater Contamination Investigation & Remediation  
Salty Dog Inc. Water Station  
Discharge Plan BW-008

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (OCD) is in receipt of the Salty Dog Inc.'s investigation and remediation plan dated October 04, 2001 submitted by Eddie W. Seay, Agent. The plan is hereby approved and OCD requires Salty Dog Inc. to complete the following actions:

1. Install a sufficient number of monitor wells to properly define the site-specific groundwater flow gradient(s) and the extent of contamination from the source area. All exploratory groundwater bore holes shall be developed and remain open for a minimum of 24 hours and then purged five (5) well bore volumes of groundwater before collecting samples.
2. Install a sufficient number of recovery well(s) or propose alternate methods to prevent contamination migration.
3. All new bore holes, monitor and recovery well(s) on site shall be sampled and analyzed for General Chemistry and WQCC metals.
4. Salty Dog Inc. shall have the option to plug the exploratory bore hole(s) with cement grout or complete as a monitor/recovery well. If bore hole(s) are complete as monitor/recovery well(s) then they must be completed pursuant to OCD standards.

5. Salty Dog Inc. will notify the OCD Santa Fe office and the OCD District office at least 72 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.
6. Salty Dog Inc. shall submit the results of the investigation and remediation efforts to the OCD Santa Fe Office **by July 15, 2002** with a copy provided to the OCD Hobbs District Office and shall include the following investigative information:
  - a. A description of all investigation, remediation and monitoring activities which have occurred including conclusions and recommendations.
  - b. A geologic/lithologic log and well completion diagram for each monitor well.
  - c. A water table potentiometric map showing the location of the leaks and spills, excavated areas, monitor wells, and any other pertinent site features as well as the direction and magnitude of the hydraulic gradient.
  - d. Isopleth maps for contaminants of concern which were observed during the investigations.
  - e. Summary tables of all ground water quality sampling results and copies of all laboratory analytical data sheets and associated QA/QC data taken within the past year.
  - f. The quantity and disposition of all recovered product and/or wastes generated.
7. Future contamination found beyond the most down gradient recovery system that exceeds the Water Quality Control Commission Regulation (WQCC) groundwater standards shall require immediate corrective action. Salty Dog Inc. shall submit a corrective action plan within 30 days of discovery.

Please be advised that NMOCD approval of this plan does not relieve Salty Dog Inc. of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Salty Dog Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Mr. Piter Bergstein  
April 08, 2002  
Page 3

Salty Dog Inc. committed in the discharge plan submittal dated 9/1/99 to investigating and remediating the groundwater contamination. Failure to abide by that commitment and past requirements, including requirements herein may result in OCD issuing Salty Dog Inc. a notice of violation for non-compliance of the Discharge Plan BW-008.

Sincerely;

A handwritten signature in cursive script that reads "Wayne Price".

Wayne Price-Pet. Engr. Spec.

cc: OCD Hobbs Office  
Mr. Eddie W. Seay

OIL CONSERVATION DIV.  
01 OCT 26 PM 1:09

October 22, 2001

NMOCD Environmental Bureau  
ATTN: Wayne Price  
P.O. Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

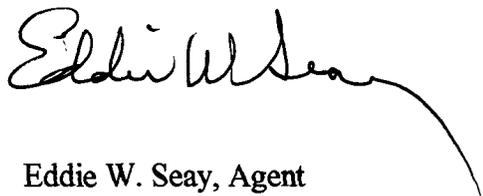
RE: Salty Dog Remediation Site

Mr. Price:

Within is the analytical from the sampling of the monitor wells and test well at Salty Dog brine. Salty Dog has extracted several thousand barrels of brine water from the recovery well and in comparing the analytical with the May report, the chlorides have decreased significantly. By continuing to pump and monitor this system, in time we have hopes of extracting the salts from the formation. We will continue to monitor and report results.

If you have any questions, please call.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236



# CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_\_ of \_\_\_\_

Company Name: <i>Salty Dog Inc.</i>		<b>BILL TO</b>	PO #:
Project Manager:		Company: <i>Salty Dog</i>	
Address: <i>P.O. Box 513</i>		Attn: <i>Terry Wallace</i>	
City: <i>Hobbs</i>	State: <i>NM</i>	Address: <i>PO Box 513</i>	
Phone #: <i>505-393-8352</i>		City: <i>Hobbs</i>	
Fax #: <i>505-391-9732</i>		State: <i>NM</i>	
Project #:	Project Owner:	Zip: <i>88256</i>	
Project Name:		Phone #: <i>393-8352</i>	
Project Location:		Fax #: <i>391-9732</i>	

ANALYSIS REQUEST													
LAB I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX						PRES.		SAMPLING	
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID:	ICE / COOL	OTHER:	DATE
<i>H6216-1</i>	<i>Monitor Well #1</i>		<i>1</i>	<input checked="" type="checkbox"/>								<i>10/2/01</i>	
<i>-2</i>	<i>" #2</i>		<i>1</i>	<input checked="" type="checkbox"/>									
<i>-3</i>	<i>Remediation Well</i>		<i>1</i>	<input checked="" type="checkbox"/>									

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

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished:	Date:	Received By:	Phone Result <input type="checkbox"/> Yes <input type="checkbox"/> No	Additional Fax #:
	Time:		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Relinquished By:	Date: <i>10/5/01</i>	Received By: (Lab Staff)	REMARKS:	
<i>Terry Wallace</i>	Time: <i>8:11</i>	<i>Burgess Roche</i>		
Delivered By: (Circle One)		CHECKED BY: (Initials)		
Sampler - UPS - Bus - Other:		Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No		

† Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.

RECEIVED  
OCT 09 2001  
Environmental Bureau  
Of Conservation Division

October 4, 2001

NMOCD Environmental Bureau  
ATTN: Wayne Price  
P.O. Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

RE: Salty Dog, Investigation Plan - BW-008

Mr. Price:

At the request of Mr. Piter Bergstein of Salty Dog, Inc., I am submitting a plan for investigation and remediation. Our plan was to give our original extraction well enough time to create a coning effect on the formation so the salts could be extracted. From review of the analytical, the pumping has lowered the chloride content but has not affected out limits of the plume. We find it necessary to do further monitor well testing and extracting. Find within our plan for further work.

Please excuse the delay in responding, and if you have any questions, please call.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

## SALTY DOG INVESTIGATION PLAN

As per the OCD requirements:

- 1) Continue to monitor existing monitor wells and extraction well. Sample quarterly and submit results to OCD.
- 2) Continue drilling test borings southeast on 100 ft. spacing until the extent of the plume is defined.
- 3) After the extent of the plume is found, an additional extraction well be installed and piped into the system for recovery of brine.
- 4) All test and data will be sent to OCD after completion.
- 5) We will notify OCD prior to starting any activities.

### MONITOR WELL

It is planned to drill 5 1/4" hole and run 2" pvc with .10 slot screen, develop the well with air and test the water. If the water continues to be contaminated, we will pull the 2" pvc, grout the hole and move another 100 ft. and continue this process until the plume has been defined. After the plume has been determined, the 2" will be left in place, the well will be sand packed, a bentonite cap added and grouted according to OCD specifications.

### RECOVERY WELL

After all the data is reviewed, the placement of the additional recovery well will be determined, most likely somewhere between MW #1 and MW #2. The well will be completed similar to our first recovery well.

Drill 7 7/8" hole.

Run 5 1/2" pvc well pipe to top of redbed.

Install 20 ft. of .10 screen on bottom.

Put 20/40 sand from TD to 10 ft. above screen.

Put bentonite from top of sand pack to 20 ft. of surface.

Grout from 20 ft. to surface and pad.

Run in hole with 1 1/2" pvc and pump and begin pumping well. All fluid will be diverted through the brine system and used.

As soon as this plan is approved and we can acquire the services of a drilling rig, we will begin.



Recovery well

MW #1



Possible location of Recovery well #2

MW #2



New Proposed MW #3

● Proposed monitoring well + recovery well

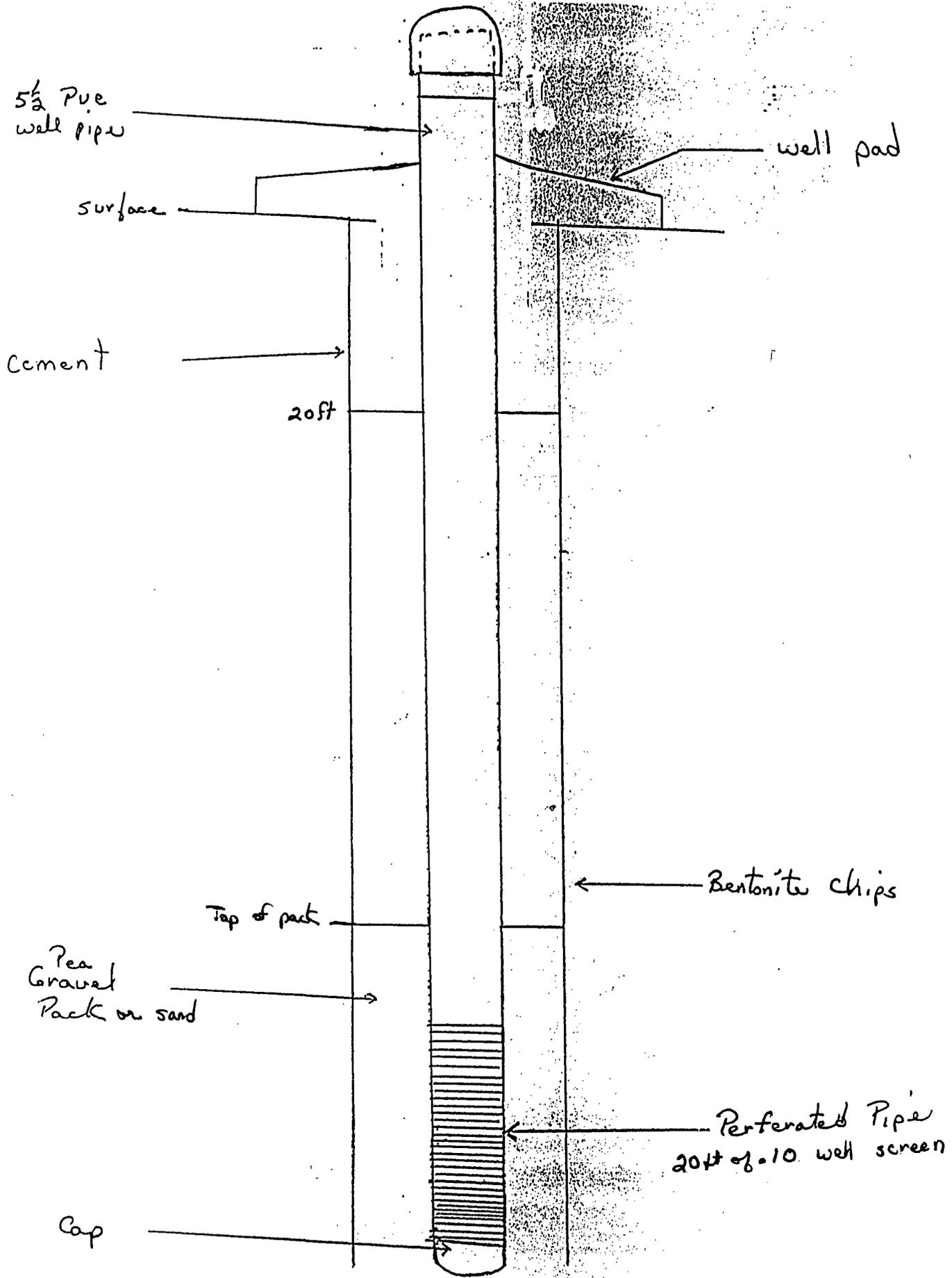
● monitor wells 1 + 2

● Existing recovery well

● Existing water wells

□ Brine well

# MONITOR WELL





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

September 18, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5357 7607**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008  
Groundwater Contamination Investigation and Remediation

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (OCD) sent Salty Dog Inc. a letter dated May 22, 2001 requiring investigation and remediation actions. Salty Dog Inc. has not responded to this requirement. Therefore, you are hereby ordered to submit an investigation and remediation plan for OCD approval by October 08, 2001.

**Failure to comply will result in OCD issuing Salty Dog Inc. a Notice of Violation.**

If you have any questions please do not hesitate to call me at 505-476-3487.

Sincerely;

A handwritten signature in black ink, appearing to read "Wayne Price-Pet".

Wayne Price-Pet. Engr. Spec.

cc: OCD Hobbs Office

May 29, 2001

E.O.E.E.

JUN 4 2001

ENVIRONMENTAL DIVISION

NMOCD Environmental Bureau  
ATTN: Wayne Price  
P.O. Box 6429  
1220 S. Saint Francis Drive  
Santa Fe, NM 87504

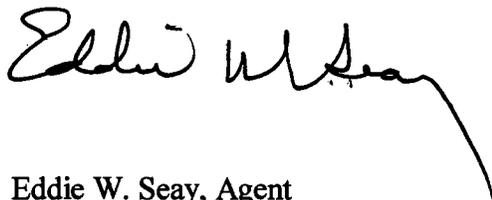
RE: Salty Dog, Remediation site

Mr. Price:

Find within analytical from the sampling and testing of the wells at the Salty Dog Brine contamination site. To date we have extracted several thousand barrels of water from the recovery-remediation well. The chloride content of the wells appears to be dropping, so it appears our recovery well is serving its purpose. By continuing to monitor and pump this well, I am in hopes of having the chloride content continue to decrease.

If you have any questions, please call.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
SALTY DOG  
ATTN: TERRY WALLACE  
P.O. BOX 513  
HOBBS, NM 88241  
FAX TO: (505) 393-1533

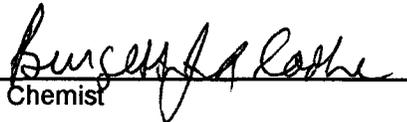
Receiving Date: 05/24/01  
Reporting Date: 05/25/01  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/24/01  
Sampling Date: 05/23/01  
Sample Type: GROUNDWATER  
Sample Condition: INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H5886-1	BRANCH OFFICE	43
H5886-2	REMEDATION WELL	15500
H5886-3	MW 1	21400
H5886-4	MW 2	342
Quality Control		1068
True Value QC		1000
% Recovery		107
Relative Percent Difference		9.1

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
--------------------------	------------------------

  
Chemist

5/25/01  
Date

H5886.XLS

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





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

May 22, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 3771 7293**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008  
Groundwater Contamination Investigation

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (OCD) is in receipt of the Salty Dog Inc. Investigation plan results dated March 30, 2001 submitted by Eddie W. Seay, Agent. The OCD has reviewed the plan and **hereby requires the following actions to be completed by June 29, 2001.**

1. Install additional monitor well(s) down gradient of Monitor well #2 to determine the horizontal delineation of the salt-water plume.
2. Install additional recovery well(s) down gradient of the test boring.
3. Salty Dog Inc. will notify the OCD Santa Fe office and the OCD District office at least 72 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.
4. Submit a progress report by July 31, 2001.

If you have any questions please do not hesitate to call me at 505-476-3487.

Sincerely;

Wayne Price-Pet. Engr. Spec.

cc: OCD Hobbs Office

**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Friday, February 02, 2001 3:36 PM  
**To:** 'Pabpayton@aol.com'  
**Subject:** RE: Salty Dog

I received your telephone call today and understand you have gained permission to proceed. Please have the monitor wells installed, sampled and the findings sent to OCD by March 2, 2001. Failure to comply will result in a Notice of Violation.

-----  
**From:** Pabpayton@aol.com[SMTP:Pabpayton@aol.com]  
**Sent:** Tuesday, January 30, 2001 2:29 PM  
**To:** WPrice@state.nm.us  
**Subject:** Salty Dog

Dear Mr. Price,

We have tried on several occasions to contact Mr. Squires without result. Please let us know how to proceed, so we can start drilling the monitor wells as you require.

Sincerely,

Pieter Bergstein

**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Monday, November 06, 2000 8:59 AM  
**To:** 'Pabpayton@aol.com'  
**Subject:** RE: Salty Dog 2nd Monitor Well

Your request for an extension is hereby approved. The new due date will be December 31, 2000.

-----  
**From:** Pabpayton@aol.com[SMTP:Pabpayton@aol.com]  
**Sent:** Tuesday, October 31, 2000 1:00 PM  
**To:** WPrice@state.nm.us  
**Subject:** Salty Dog 2nd Monitor Well

Dear Wayne:

We have made several attempts to come to a reasonable agreement with the owners of Snyder Ranches. They are unreasonable with their \$4,000 request.

We would like to request a 60-day extension to cool-off negotiations and for us to retry to come to a reasonable compromise.

Hope you can grant our 60-day extension request.

Sincerely,  
Pieter A. Bergstein

**Price, Wayne**

---

**From:** Anderson, Roger  
**Sent:** Thursday, November 02, 2000 8:46 AM  
**To:** Price, Wayne  
**Subject:** RE: Salty Dog 2nd Monitor Well

OK

-----  
**From:** Price, Wayne  
**Sent:** Thursday, November 02, 2000 8:06 AM  
**To:** Anderson, Roger  
**Subject:** RE: Salty Dog 2nd Monitor Well

No! Because they are all ready recovering the contaminated water! I am going to give them the extension

-----  
**From:** Anderson, Roger  
**Sent:** Wednesday, November 01, 2000 1:08 PM  
**To:** Price, Wayne  
**Subject:** RE: Salty Dog 2nd Monitor Well

Is an extension going to hurt anything?

-----  
**From:** Price, Wayne  
**Sent:** Wednesday, November 01, 2000 8:11 AM  
**To:** Anderson, Roger  
**Subject:** FW: Salty Dog 2nd Monitor Well

Do you have any recommendations on how I handle this!

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

WELL API NO.  
30-025-26307

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
 Oil Well  Gas Well  Other Brine Well

2. Name of Operator  
Salty Dog, Inc.

3. Address of Operator  
P.O. Box 513 Hobbs NM 88241

4. Well Location  
 Unit Letter J : 1980 feet from the South line and 1980 feet from the East line  
 Section 5 Township 19S Range 36E NMPM County Lea

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

7. Lease Name or Unit Agreement Name:

8. Well No.  
Brine Well Supply #1

9. Pool name or Wildcat  
BSW - Salado

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Terry Wallace TITLE Manager DATE 12-5-00

Type or print name Terry Wallace Telephone No. 393-8352

(This space for State use) FIELD REPRESENTATIVE II

APPROVED BY Harry W. Wink TITLE \_\_\_\_\_ DATE DEC 05 2000

Conditions of approval, if any:

(505) 631-1694  
(505) 390-7427



P.O. Box 513  
Hobbs, NM 88241

**Lease Name: Salty Dog**  
**API No. 30-025-26307**

(11-27-00) Rigged up pulling unit and installed B.O.P.. Tripped out of hole and strapped out tubing. Tubing sheared 2,126 feet. Picked up 21 joints of 2 7/8 tubing. Tripped back into the hole with tubing. Went to a depth of 2,599 feet, and tried to pump fresh water down the tubing. Tubing was plugged. Shut down for the day.

( 11-28-00 ) Tripped out of hole with tubing. Tubing sheared off at 2,310 feet. Tripped backed into the hole but could not get to desired depth. Tripped out of the hole and shut down for the day.

( 11-29-00 ) Tripped in the hole with notched collar, but couldn't get to desired depth. Tripped out of the hole and shut down for the day.

( 11-30-00 ) Rigged up reverse unit and ran a 4 3/4" bit with 6 collars into the hole. Drilled to a depth of 2,316 feet. Tripped out of the hole to the bottom of the casing. Shut down for the day.

( ~~12-01-00~~ ) Tripped in the hole and drilled out bridges to 2,586 feet. Twisted off the tubing at the collars. Tripped out of the hole and shut down for the day.

( 12-02-00 ) Picked up an overshot tool and tripped back into the hole. Tried to fish out the collars. Couldn't get collars, so we had to leave them in the hole. Tripped out of the hole and shut down for the day.

( 12-02-00 ) Picked up a model R packer. Tripped into the hole to a depth of 1,820 feet. Set the packer and pressure tested the casing to 500 psi for 30 minutes. Casing tested good. Tripped out of the hole and shut down for the day.

( 12-03-00 ) Off

( 12-04-00 ) Tripped in the hole with a notched collar. Worked the tubing with the rig tongs. Tripped to a depth of 2,571.92 feet. Pumped 100 bbls of fresh water down the tubing. Tubing was clear. Job Complete.



## Price, Wayne

---

**From:** Price, Wayne  
**Sent:** Monday, October 30, 2000 8:45 AM  
**To:** 'Rena Seay'  
**Subject:** RE: Salty Dog Monitor Wells

Approved!

-----  
**From:** Rena Seay[SMTP:seay04@leaco.net]  
**Reply To:** Rena Seay  
**Sent:** Monday, October 30, 2000 5:47 AM  
**To:** Price, Wayne  
**Subject:** Salty Dog Monitor Wells

October 29, 2000

Mr. Wayne Price  
NMOCD Environmental Bureau  
2040 S. Pacheco  
Santa Fe, NM 87505

RE: Salty Dog Monitor Wells

Mr. Price:

As we discussed last week, Mr. Bergstein is trying to negotiate damages with the landowner around the Salty Dog Brine Well. Mr. Squires will not let us drill the additional two wells until they reach an agreement. We have the supplies and contractor waiting. Please allow us an additional two weeks to complete this task, an extension would be appreciated. Our deadline is for Nov. 3, 2000, we would like until Nov. 17, 2000, if possible. I hope an agreement can be reached soon.

If you have any questions, please call my mobile, 505-390-2454.

Thank you for your consideration.

Sincerely,

Eddie W. Seay, Agent

## **Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Monday, September 25, 2000 2:53 PM  
**To:** 'Pabpayton@aol.com'  
**Subject:** RE: Salty Dog deadline

Your request is approved. Please note the 7/25/00 letter was for two additional monitor wells!

-----  
**From:** Pabpayton@aol.com[SMTP:Pabpayton@aol.com]  
**Sent:** Monday, September 25, 2000 2:49 PM  
**To:** Price, Wayne  
**Subject:** Salty Dog deadline

This e-mail is to confirm our conversation today, 9/25/2000, regarding the September 30, 2000, deadline to complete the second monitor well for Salty Dog as per your letter dated 7/25/2000.

We request your permission to extend this date to November 3, 2000.

Sincerely,

Pieter Bergstein for Salty Dog



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

July 25, 2000

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 5222**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008  
Groundwater Contamination Investigation

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (OCD) is in receipt of the Salty Dog Inc. Investigation plan dated July 12, 2000 submitted by Eddie W. Seay, Agent. The plan is hereby approved with the following additional conditions:

1. Install a sufficient number of monitor wells to properly define the site specific groundwater flow gradient(s) and the extent of contamination from the source area. Once contamination has been defined there will be a minimum of one monitor well located between the source well and the farthest down gradient well(s). All exploratory groundwater bore holes shall be developed and remain open for a minimum of 24 hours and then purged five (5) well bore volumes of groundwater before collecting samples.
2. All new bore holes, monitor and recovery well(s) on site shall be sampled and analyzed for General Chemistry and WQCC metals.
3. Salty Dog Inc. shall have the option to plug the exploratory bore hole(s) with cement grout or complete as a monitor well. If bore hole(s) are complete as monitor well(s) then they must be completed pursuant to OCD standards.
4. Salty Dog Inc. will notify the OCD Santa Fe office and the OCD District office at least 72 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.

5. Salty Dog Inc. shall submit the results of the investigation to the OCD Santa Fe Office by September 30, 2000 with a copy provided to the OCD Hobbs District Office and shall include the following investigative information:
  - a. A description of all investigation, remediation and monitoring activities which have occurred including conclusions and recommendations.
  - b. A geologic/lithologic log and well completion diagram for each monitor well.
  - c. A water table potentiometric map showing the location of the leaks and spills, excavated areas, monitor wells, and any other pertinent site features as well as the direction and magnitude of the hydraulic gradient.
  - d. Isopleth maps for contaminants of concern which were observed during the investigations.
  - e. Summary tables of all ground water quality sampling results and copies of all laboratory analytical data sheets and associated QA/QC data taken within the past year.
  - f. The quantity and disposition of all recovered product and/or wastes generated.

Please be advised that NMOCD approval of this plan does not relieve Salty Dog Inc. of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Salty Dog Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Sincerely;



Wayne Price-Pet. Engr. Spec.

cc: OCD Hobbs Office

July 12, 2000

NMOCD Environmental Bureau  
ATTN: Wayne Price  
2040 South Pacheco St.  
Santa Fe, NM 87505

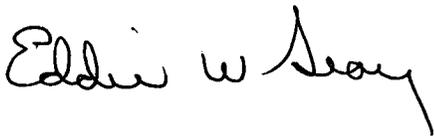
RE: Salty Dog Contamination Investigation

Dear Mr. Price:

Within is Salty Dogs' plan for further investigation of the salt water contamination of Salty Dog Brine Station.

If you have any questions or need additional information, please call.

Sincerely,

A handwritten signature in cursive script that reads "Eddie W. Seay".

Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

## SALTY DOG INVESTIGATION

As per the OCD request, a plan for determining the extent of the salt plume is listed.

- (1) Continue to monitor new drilled test well MW #1 volumes and CL.
- (2) Monitor up dip water wells.
- (3) It is proposed to drill additional test borings SE to determine extent of plume. The starting point will be 100 ft. SE of MW #1 and will continue moving SE until the edge of the plume is found.
- (4) Submit test taken and report to OCD.
- (5) Notify OCD prior to start.

It is planned to drill 5 1/4" hole, run 2" pvc with .10 slot screen, develop well with air and test water. If the water is contaminated, pull 2" pvc, grout hole and move another 100 ft., and continue this process until the plume has been defined. After the plume has been determined, the 2" will be left in place, it will be sand packed, bentonite and grouted according to specifications from MW #1. This will give us a well to monitor the movement of the salt plume.

We will continue to monitor the existing wells and monitor well and volumes pumped out. To date we have extracted a little over 6,000 bls. and the chloride has dropped to approximately 35,000. The offset and up dip water wells are both less than 100 ppm CL.

All updated test dates will be set with final report.

We can start this program as soon as we get approval and a rig becomes available.



 Proposed Test wells

 new Monitor well #1

 Existing water wells

 Brine well



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor

Jennifer A. Salisbury

Cabinet Secretary

June 16, 2000

Lori Wrotenbery  
Director

Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 5628**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008 Monitor/Recovery Well

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Salty's Dog's May 09, 2000 report submitted by Eddie W. Seay. After reviewing the report the NMOCD will require Salty Dog to submit a plan for OCD approval to determine the extent of the groundwater contamination. Please submit this plan by July 15, 2000.

The NMOCD also confirms Salty Dog's verbal request to start pumping the 4" recovery well. Salty Dog shall maintain records of the amount of contaminated water removed.

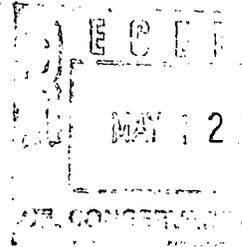
If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

cc: OCD Hobbs Office  
Eddie Seay-Hobbs

May 9, 2000



NMOCD Environmental Bureau  
ATTN: Wayne Price  
2040 S. Pacheco  
Santa Fe, NM 87505

RE: Salty Dog Monitor Well

Dear Mr. Price:

Find within this report data pertaining to the monitor well drilling and sampling near Salty Dog brine well. If you need any other information, please call.

Sincerely,

Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

## SALTY DOG MONITOR WELL

The drilling of the monitor well started on April 24, 2000, and completed on April 26, 2000. The well is located 15 ft. SSE of the brine well.

Started drilling with a 7 7/8" bit.

TD at 137'.

Encountered a perch zone of water at approximately 61', red clay at 84' to 88'. Then water sand at 88' and rebed at 135'.

Ran 5 1/2" pvc well pipe with 60' of .20 screen in well, top of screen at 75'. Sifted in small gravel behind casing to 65'. Poured 4 sacks of bentonite chips on top of gravel to 20'. Cemented from 20' to surface. Note well bore diagram.

April 26 to pump and sample.

Water level at 61'.

Ran in hole with 1 1/4" pvc and 1 1/2 horse pump. Pump and developed well until water clean. Start pumping well to extract 3 casing volumes, approximately 250 gal. All fluid put into transport for disposal. After pumping samples were taken and delivered to Cardinal Lab for analysis. The fluid pumped out was taken to Rice SWD for disposal.

From the review of the analytical data, it is determined that the groundwater around the brine well is impacted by salt or salt water probably from the casing leaks that were found in the brine well.

It is my recommendation that the monitor well be equipped with a pump and tubing. Tie the well into the flow line, which goes to the Salty Dog Brine Pit. Pump the well so as to hold the contaminant in place and also extract the salt water from the groundwater. The water will be metered and testing done on a weekly schedule. Whenever the salt concentration in the monitor well reaches a level that the OCD will accept, the monitor well will be used to circulate water down and make brine water at the brine well.

STATE ENGINEER OFFICE

WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well SALTY DOG INC Owner's Well No. \_\_\_\_\_  
 Street or Post Office Address \_\_\_\_\_  
 City and State Hebb's 42.M

Well was drilled under Permit No. MONITOR Well and is located in the:  
 a. 1980/5 1980/4 unit J  
 a. \_\_\_\_\_ ¼ \_\_\_\_\_ ¼ \_\_\_\_\_ ¼ of Section 5 Township 19 Range 34 N.M.P.M.  
 b. Tract No. \_\_\_\_\_ of Map No. \_\_\_\_\_ of the \_\_\_\_\_  
 c. Lot No. \_\_\_\_\_ of Block No. \_\_\_\_\_ of the \_\_\_\_\_  
 Subdivision, recorded in \_\_\_\_\_ County.  
 d. X= \_\_\_\_\_ feet, Y= \_\_\_\_\_ feet, N.M. Coordinate System \_\_\_\_\_ Zone in  
 the \_\_\_\_\_ Grant.

(B) Drilling Contractor GRIFFIN License No. 4D 603

Address \_\_\_\_\_

Drilling Began 4/25 Completed 4/26 Type tools ROTARY Size of hole 7 7/8 in.

Elevation of land surface or \_\_\_\_\_ at well is \_\_\_\_\_ ft. Total depth of well 137 ft.

Completed well is  shallow  artesian. Depth to water upon completion of well 60 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
<u>61</u>	<u>86</u>	<u>25</u>	<u>BROWN SANDSTONE SOFT</u>	
<u>88</u>	<u>135</u>	<u>47</u>	<u>Redish BROWN SANDSTONE SOFT.</u>	<u>80 gpm</u>

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
<u>5 1/2</u>	<u>PVC</u>	<u>—</u>			<u>137</u>	<u>NA</u>	<u>75</u>	<u>135</u>

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				
<u>70</u>	<u>20</u>	<u>8"</u>	<u>4 SACKS CHIPS</u>		<u>POURED DOWN ANULUS</u>
<u>20</u>	<u>0</u>	<u>8"</u>		<u>159M WATER 3 SACKS</u>	<u>" " "</u>

Section 5. PLUGGING RECORD

Plugging Contractor \_\_\_\_\_  
 Address \_\_\_\_\_  
 Plugging Method \_\_\_\_\_  
 Date Well Plugged \_\_\_\_\_  
 Plugging approved by: \_\_\_\_\_

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
<u>1</u>			
<u>2</u>			
<u>3</u>			
<u>4</u>			

State Engineer Representative

FOR USE OF STATE ENGINEER ONLY

Date Received \_\_\_\_\_

Quad \_\_\_\_\_ FWL \_\_\_\_\_ FSL \_\_\_\_\_

File No. \_\_\_\_\_ Use \_\_\_\_\_ Location No. \_\_\_\_\_

Rem	TO	TOTAL	
0	26	26	CALiche - INDURATED
26	49	23	SANDSTONE - Red - SOFT
49	58	9	CLAY - Grey
58	61	3	QUARTZITE - Red-white - BROWN-MARbled
61	86	25	SANDSTONE - BROWN - W/B - SOFT
86	88	2	CLAY Red
88	135	47	SANDSTONE - Redish BROWN - W/B - SOFT
135	137	2	Red Bed T.D.

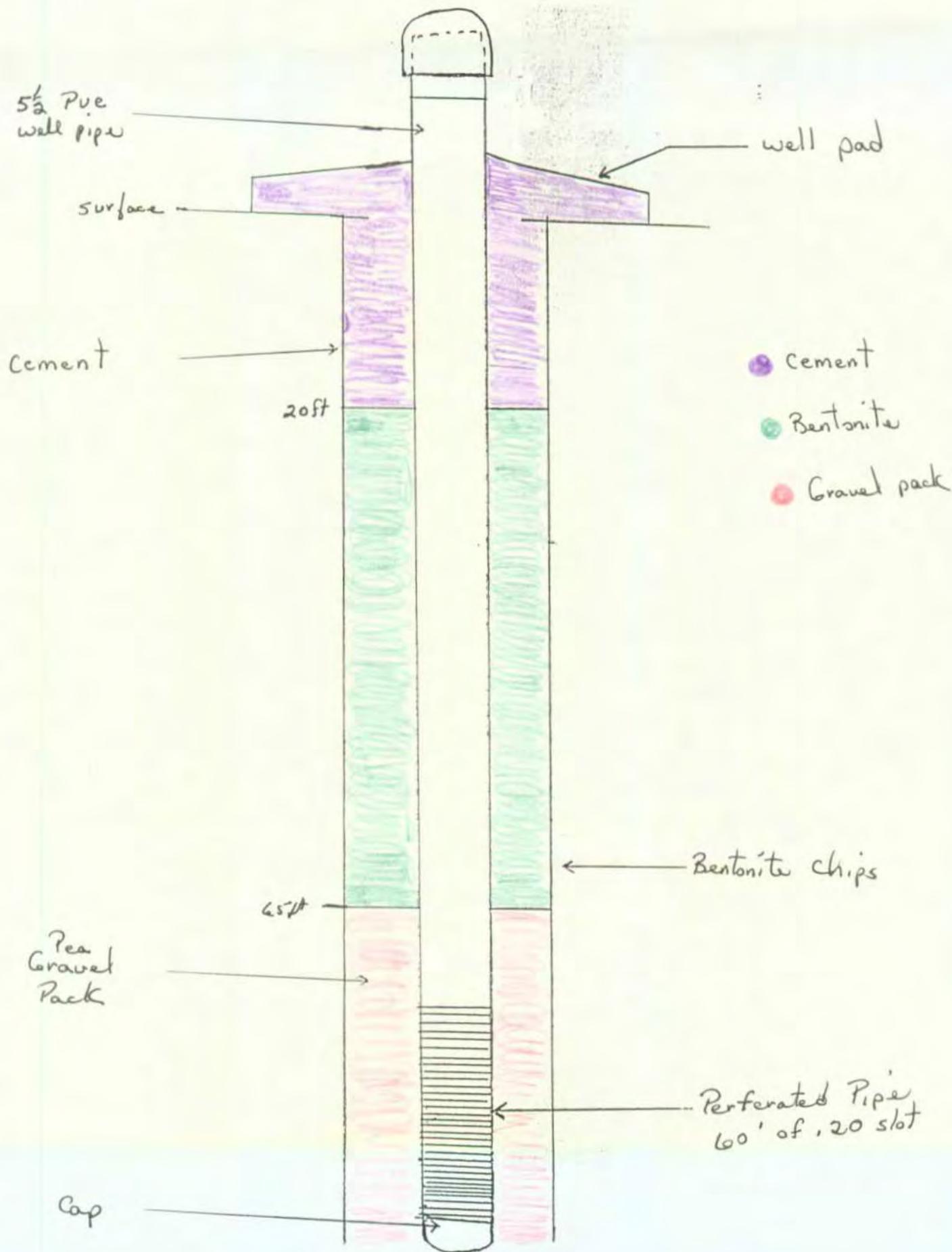
**Section 7. REMARKS AND ADDITIONAL INFORMATION**

The undersigned hereby certifies that, to the best of his knowledge and belief, the foregoing is a true and correct record of the above described hole.

Carl L. Ameloy  
Driller

INSTRUCTIONS: This form should be executed in triplicate, preferably typewritten, and submitted to the appropriate district office of the State Engineer. All sections, except Section 5, shall be answered as completely and accurately as possible when any well is drilled, repaired, or deepened. When this form is used as a plugging record, only Section 1(a) and Section 5 need be completed.

# MONITOR WELL



TD 137



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR**  
**EDDIE W. SEAY CONSULTING**  
**ATTN: EDDIE SEAY**  
**601 W. ILLINOIS**  
**HOBBS, NM 88242**  
**FAX TO:**

Receiving Date: 04/26/00  
 Reporting Date: 04/27/00  
 Project Number: 001  
 Project Name: SALTY DOG BRINE MW  
 Project Location: HOBBS-WEST

Sampling Date: 04/26/00  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL AND INTACT  
 Sample Received By: BC  
 Analyzed By: AH

**TOTAL METALS**

LAB NUMBER SAMPLE ID                      Al                      Co                      Cu                      Fe  
    (ppm)                      (ppm)                      (ppm)                      (ppm)

ANALYSIS DATE:	04/27/00	04/27/00	04/27/00	04/27/00
H4831-1      SD #3	<5	1.349	<1	1.242
Quality Control	8.852	5.010	5.003	1.044
True Value QC	10.000	5.000	5.000	1.000
% Recovery	88.5	100.2	100	104.4
Relative Percent Difference	1.3	0.8	1.1	4.4
METHODS: EPA 600/04-79-020	202.1	219.1	220.1	236.1

   Mn                      Mo                      Ni                      Zn  
    (ppm)                      (ppm)                      (ppm)                      (ppm)

ANALYSIS DATE:	04/27/00	04/27/00	04/27/00	04/27/00
H4831-1      SD #3	0.264	<1	1.541	<10
Quality Control	2.002	1.087	5.072	0.503
True Value QC	2.000	1.000	5.000	0.500
% Recovery	100	108.7	101.4	100.6
Relative Percent Difference	1.8	4.3	2.7	9.0
METHODS: EPA 600/04-79-020	243.1	246.1	249.1	289.1

*Amy Hill*  
 \_\_\_\_\_  
 Chemist

4/27/00  
 \_\_\_\_\_  
 Date

**H4831B.XLS**  
 PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 EDDIE W. SEAY CONSULTING  
 ATTN: EDDIE SEAY  
 601 W. ILLINOIS  
 HOBBS, NM 88242  
 FAX TO:

Receiving Date: 04/26/00  
 Reporting Date: 04/28/00  
 Project Number: 001  
 Project Name: SALTY DOG BRINE MW  
 Project Location: HOBBS-WEST

Sampling Date: 04/26/00  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL AND INTACT  
 Sample Received By: BC  
 Analyzed By: AH

RCRA METALS

LAB NUMBER	SAMPLE ID	As ppm	Ag ppm	Ba ppm	Cd ppm	Cr ppm	Pb ppm	Hg ppm	Se ppm
------------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

ANALYSIS DATE:	04/27/00	04/27/00	04/27/00	04/27/00	04/27/00	04/27/00	04/28/00	04/27/00
H4831-1 SD #3	<0.1	0.084	2.295	0.215	<0.05	0.065	<0.002	<0.05
Quality Control	0.049	5.004	51.94	1.998	4.977	5.043	0.0039	0.210
True Value QC	0.050	5.000	50.00	2.000	5.000	5.000	0.0040	0.200
% Recovery	98	100	103.9	99.9	99.5	100.8	97.5	105
Relative Percent Difference	2.7	0.6	3.1	0.7	0.4	9.4	2.6	1.4

METHODS: EPA 600/4-79-020	206.2	272.1	208.1	213.1	218.1	239.1	245.1	270.2
METHODS: SW-846	7060A	7760A	7080A	7130	7190	7420	7470A	7740

*Amy Hill*  
 Chemist

4/28/00  
 Date

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



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 EDDIE W. SEAY CONSULTING  
 ATTN: EDDIE SEAY  
 601 W. ILLINOIS  
 HOBBS, NM 88242  
 FAX TO:

Receiving Date: 04/26/00  
 Reporting Date: 05/02/00  
 Project Number: 001  
 Project Name: SALTY DOG BRINE MW  
 Project Location: HOBBS-WEST

Sampling Date: 04/26/00  
 Sample Type: GROUNDWATER  
 Sample Condition: COOL AND INTACT  
 Sample Received By: BC  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO <sub>3</sub> /L)
ANALYSIS DATE:		04/28/00	04/28/00	04/28/00	04/28/00	04/28/00	04/28/00
H4831-1	SD #1 & #2	24374	257	233	164	87216	212
Quality Control		NR	48	53	5.08	1392	NR
True Value QC		NR	50	50	5.00	1413	NR
% Accuracy		NR	96.2	106.9	101.5	98.5	NR
Relative Percent Difference		NR	8.3	9.4	0.4	0.2	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
----------	-------------	-----------	------	-------	-------

	Cl <sup>-</sup> (mg/L)	SO <sub>4</sub> (mg/L)	CO <sub>3</sub> (mg/L)	HCO <sub>3</sub> (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		04/28/00	04/28/00	04/28/00	04/28/00	04/29/00
H4831-1	SD #1 & #2	37988	1038	0	259	7.57
Quality Control		1000	102	NR	971	6.95
True Value QC		1000	100	NR	1000	7.00
% Accuracy		100	102	NR	97.1	99.3
Relative Percent Difference		0.1	0	NR	-	0

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------

*Amy Hill*  
 Chemist

5/2/00  
 Date

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



# RICE Operating Company

122 W. Taylor Hobbs, N.M. 88240  
(505) 393-9174

Well F-29  
Salt Water Disposal

Date 4-26

Transporter ZIA

FROM Salty Dog  
Company

Water well  
Lease

Bbls. 10

Driver Vince Bennett  
PW

Truck No. 256 N<sup>o</sup> 034809

03-00-2000-2PT.-33601



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Monday, May 08, 2000 9:23 AM  
**To:** 'Rena Seay'  
**Subject:** RE: Salty Dog Monitor Well

Approved!

-----  
**From:** Rena Seay[SMTP:seay04@ieaco.net]  
**Reply To:** Rena Seay  
**Sent:** Friday, May 05, 2000 12:08 PM  
**To:** Price, Wayne  
**Subject:** Salty Dog Monitor Well

FROM: Eddie Seay

TO: OCD Wayne Price

As per our conversation concerning the newly drilled monitor well, we would like to start pumping the well to keep the contamination from moving. The water will be put in the same flow line that goes to the brine pit at Salty Dog Station. We will meter the water and run samples. You will be getting a full report by the 15th.

Thank you for your consideration in this matter.

Eddie W. Seay, Agent

## Price, Wayne

**From:** Price, Wayne  
**Sent:** Friday, April 07, 2000 12:59 PM  
**To:** 'SMTP:seay04@leaco.net'  
**Subject:** RE: Salty Dog Monitor Well

TO: Salty Dog Inc.

The monitor well installation plan dated March 4, 2000 submitted by Eddie Seay is hereby approved subject to the following conditions:

1. Salty Dog Inc. will notify the OCD Santa Fe office and the OCD District office at least 48 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.
2. The well(s) shall be developed after construction using EPA approved procedures.
3. No less than 48 hours after the well(s) are developed, ground water from all monitor well(s) shall be purged, sampled and analyzed for concentrations of total dissolved solids (TDS) and New Mexico Water Quality Control Commission (WQCC) metals and major cations and anions using EPA approved methods and quality assurance/quality control (QA/QC) procedures.
4. All wastes generated during the investigation shall be disposed of at an OCD approved facility.
5. Salty Dog Inc. shall submit the results of the investigation to the OCD Santa Fe Office by **May 15, 2000** with a copy provided to the OCD Hobbs District Office and shall include the following investigative information:
  - a. A description of all investigation, remediation and monitoring activities which have occurred including conclusions and recommendations.
  - b. A geologic/lithologic log and well completion diagram for each monitor well.

Please be advised that NMOCD approval of this plan does not relieve Salty Dog, Inc. of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Salty Dog inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

-----  
**From:** Rena Seay[SMTP:seay04@leaco.net]  
**Reply To:** Rena Seay  
**Sent:** Friday, April 07, 2000 9:40 AM  
**To:** Price, Wayne  
**Subject:** Salty Dog Monitor Well

April 7, 2000

Wayne Price NMOCD Environmental Dept.  
Santa Fe, NM

RE: Salty Dog Monitor Well

Dear Mr. Price:

As per our discussion of the proposed monitor well at Salty Dog Brine West of Hobbs, we will agree to alter

the proposed well completion by grouting or cementing the well from the top of the bentonite to surface instead of using backfill.  
Thank you for your time in this matter.

Sincerely,

Eddie W. Seay, Agent

**Price, Wayne**

---

**From:** null@leaco.net[SMTP:null@leaco.net]  
**Sent:** Friday, April 07, 2000 12:57 PM  
**To:** Price, Wayne  
**Subject:** Ack: "RE: Salty Dog Monitor Well"

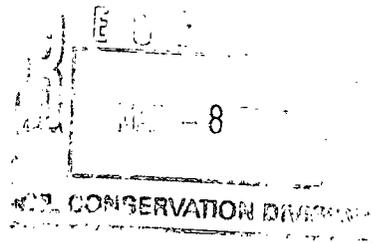
Your message headed:

RE: Salty Dog Monitor Well.

has been delivered to seay04@leaco.net.

This receipt does not guarantee that the mail has been read.

March 4, 2000



RECEIVED

NMOCD Environmental Bureau  
ATTN: Wayne Price  
2040 South Pacheco  
Santa Fe, NM 87505

MAR 08 2000  
Environmental Bureau  
Oil Conservation Division

RE: Salty Dog Water Investigation

Dear Mr. Price:

At your request and according to the proposed plan, the operator of Salty Dog Brine wishes to drill a monitor well and test the water formation for chloride contamination. The location for the proposed well will be located approximately 15 ft. SSE of the brine well. The well will be completed according to OCD guidelines. A well bore schematic is within. The well will be developed and tested for TDS, chloride and conductivity. All results will be sent to OCD for review. The well will be left in place for future monitoring.

If you have any questions or need additional information, please call.

Sincerely,

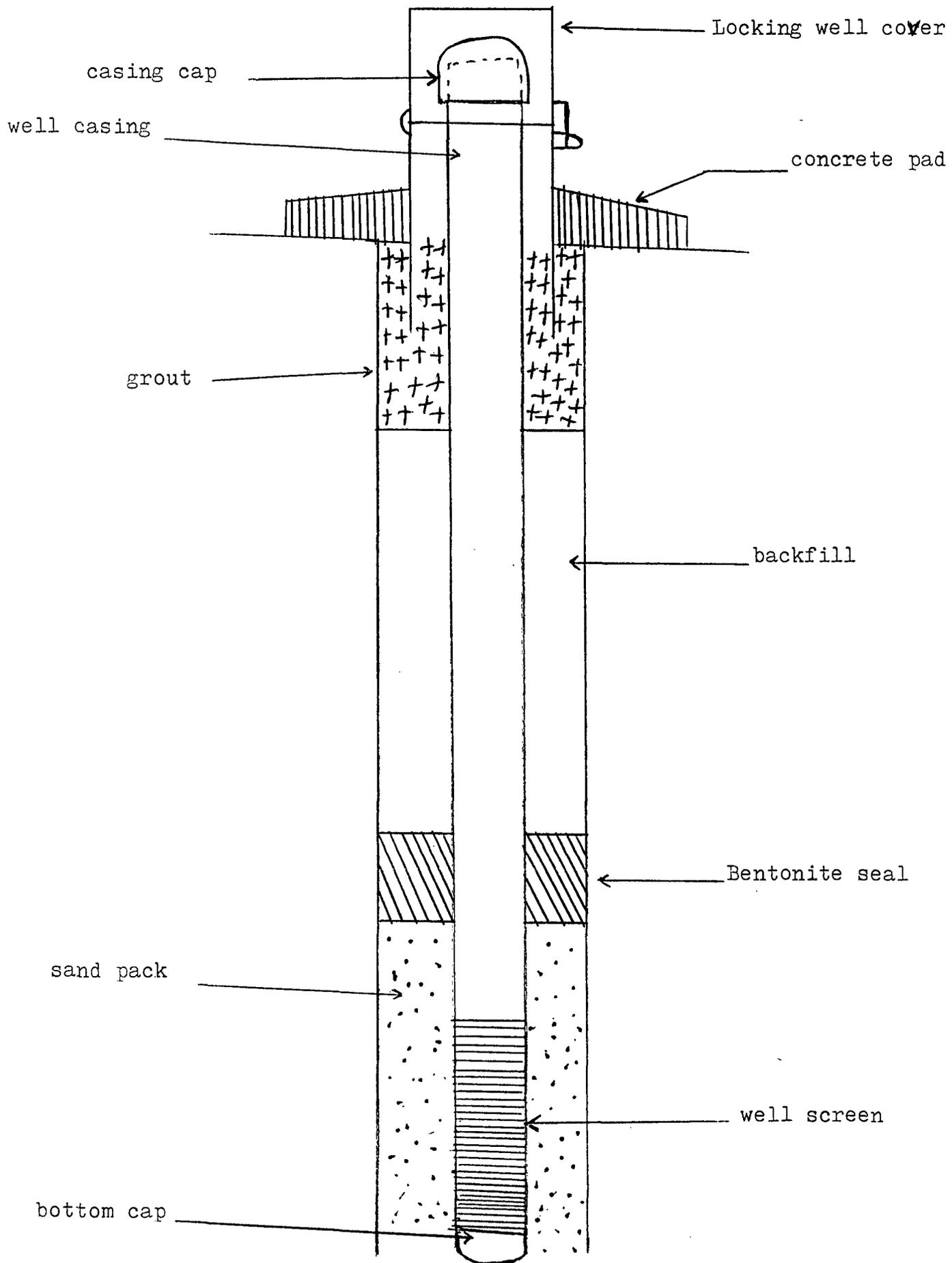
Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

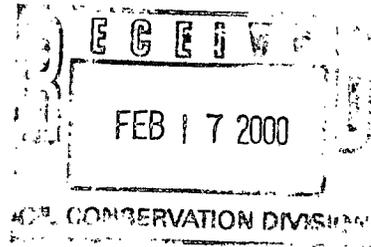
## WELL INFORMATION

3" Sch 40 PVC Casing  
20' of well screen with .10 slot  
20-40 sand  
bentonite pellets  
conventional cement

The well will be drilled to the base of the water formation approximately 75 ft., and completed by running 3" PVC casing with 20' of .10 slot screen. A sand pack will be put behind casing to five feet above the top of the screen. A ten foot bentonite seal will be put above the sand pack. Ambient backfill material will be used for the top of the bentonite to within 20 ft. of surface. Cement grout will be put from 20 ft. to surface. A pad and locking device will be installed over the well. The well will be developed and tested.

# PROPOSED MONITOR WELL SCHEMATIC





February 14, 2000

New Mexico Oil Conservation Division  
Environmental Bureau  
ATTN: Wayne Price  
2040 South Pacheco St.  
Santa Fe, NM 87505

RE: Salty Dog Water Station BW-008

Dear Mr. Price:

Find within the revised well bore sketch as we discussed. If you have any questions, please call.  
Thank you for your attention on this permit.

Sincerely,

Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

# WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

## CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

## CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

## TUBING:

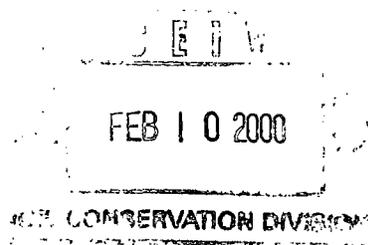
Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

Salt Cavity

February 4, 2000



New Mexico Oil Conservation Division  
Environmental Bureau  
2040 South Pacheco Street  
Santa Fe, NM 87505

Re: Salty Dog Water Station  
Discharge Plan BW-008 Renewal Application  
Response to letter dated January 5, 2000

Dear Mr. Price:

Attached please find responses to those requests for additional information raised in your letter dated January 5, 2000. Mr. Piter Bergstein, owner/operator of the facility has agreed to all items listed within.

The construction of the protective secondary berm on the outside of the southwest corner of the existing berm surrounding the brine pond will, if approved, begin immediately. Construction should be completed shortly thereafter.

The revised groundwater investigation and remediation (abatement) work will begin as soon as feasible, subject to approval.

As you review these responses and the discharge plan, we would like permission to resume operations at the facility. Please let us know at your earliest convenience if that is acceptable.

I appreciate your time and your patience in this manner and apologize for any inconvenience that the Salty Dog facility may have caused. If I can provide any further information or clarification, please call.

Sincerely,

  
Eddie Seay, agent

**Discharge Plan BW-008  
Salty Dog Inc. Water Station  
Lea County, NM**

Response to the request for additional information, letter dated January 5, 2000:

- Item 1. No further action requested
- Item 2. The description of form C-103 submitted in the permit inadvertently stated that the date that the mechanical integrity test was performed was August 24, 1999. The date of the test was actually August 25, 1999, which corresponds to the date contained on the pressure test chart. The original pressure test which includes the well name, legal location, recorder information and OCD witness signature is attached.
- How was the test performed?  
The mechanical integrity test was performed according to OCD guidelines and accepted industry practices. A retrievable bridge plug was set at the bottom of the casing. The casing was loaded with water and pressure tested at 300 psi, and a pressure meter was used to record the pressure on the well. The resulting pressure was plotted on a chart. As shown on the attached chart, the pressure stabilized and held for seven hours.
- The well bore sketch as originally submitted inadvertently identified surface casing and a liner. In reality, the Salty Dog Brine Supply Well # 1 has a 8 5/8 inch production casing and a 5 1/2 inch casing lining. There is no surface casing on this well.
- Item 3: The maximum pressure for the injection is 275 psi.  
The average flow rate for the facility is 35 barrels per hour.  
According to the OCD office in Hobbs, the formation fracture pressure for the salt section varies throughout Lea County from 900 to 1100 psi.
- Item 4: A secondary berm will be constructed outside the southwest corner of the existing primary protective berm surrounding the brine pond in order to protect the identified playa lake from leaks in the primary berm, in case of accidental leaks or overflows.
- A topographic map is attached which identifies the location of the brine water station and the brine well.
- Item 5: Salty Dog commits to modifying the discharge plan to include investigation and remediation (abatement) of the groundwater, pursuant to the applicable rules and regulations of the state.

**CERTIFICATION**

I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document. I do agree and adhere to all listed therein.

NAME: Piter Bergstein

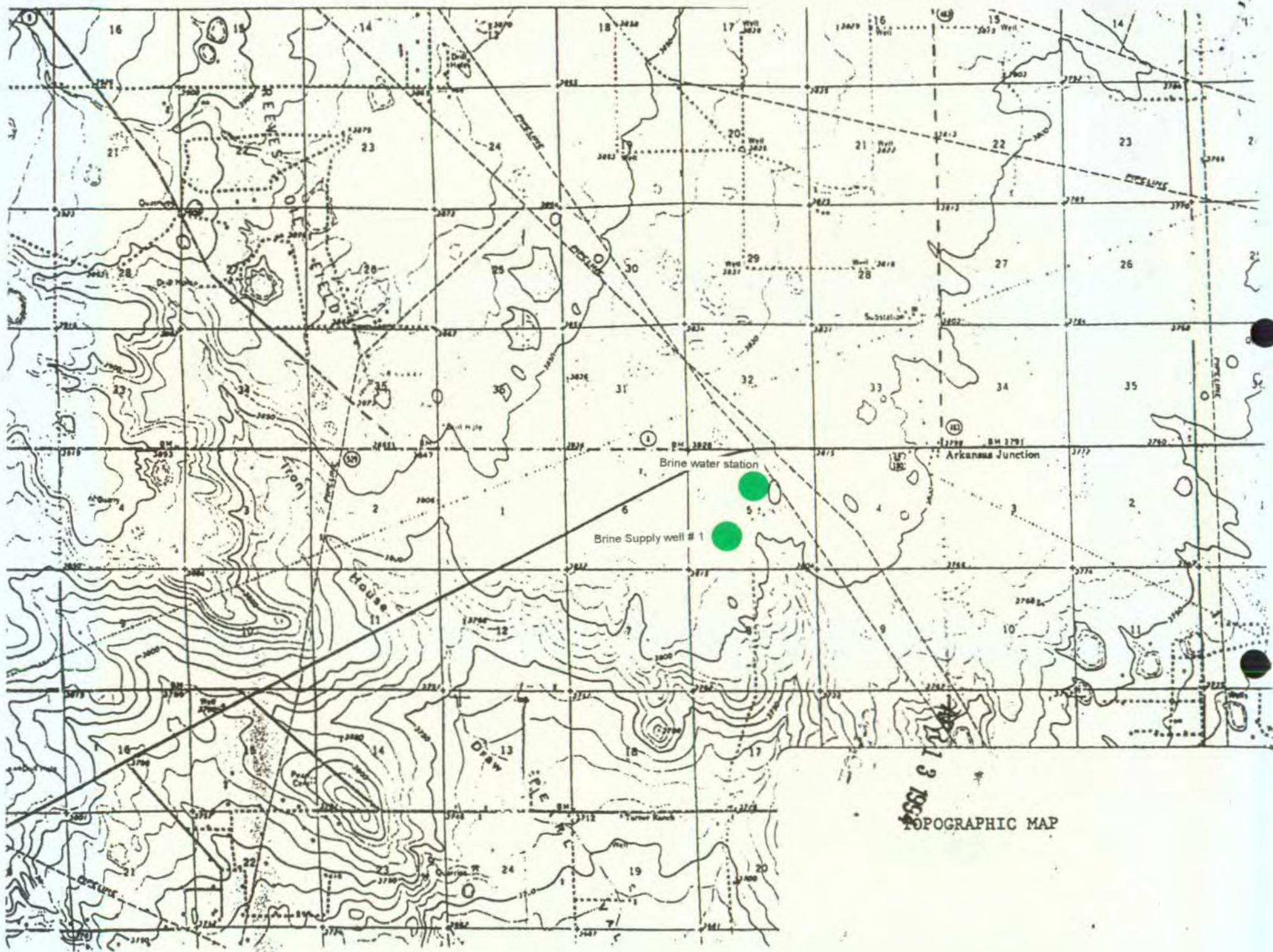
TITLE: Owner/operator

SIGNATURE:



DATE:

2/7/00



1951 3 1954  
TOPOGRAPHIC MAP

# WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

## CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

## CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

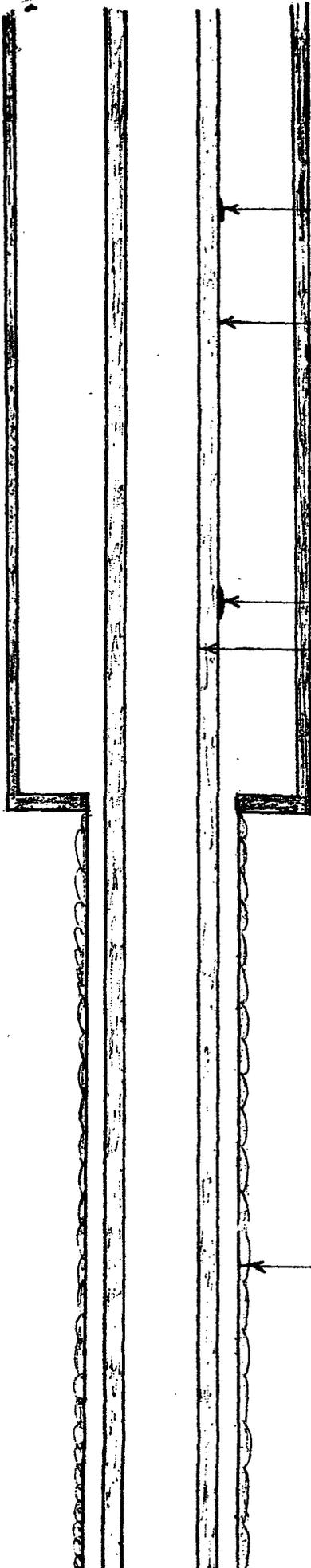
## TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

Hole Size 6 1/4"



59

State of New Mexico  
Energy, Minerals and Natural Resources Department  
**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, NM 87501

RECEIVED  
JAN 03 2000  
Environmental Bureau  
Oil Conservation Division

**DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES**

(Refer to OCD Guidelines for assistance in completing the application.)

NEW       RENEWAL

- I. FACILITY NAME: Salty Dog, Inc.
- II. OPERATOR: Salty Dog, Inc.  
ADDRESS: P. O. Box 2724 Lubbock, TX 79408  
CONTACT PERSON: Pieter Bergstein PHONE: 806-741-1080
- III. LOCATION: 1 / 4 1 / 4 Section 5 Township 19S Range 36E  
*Submit large scale topographic map showing exact location.*
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Pieter Bergstein

Title: President

Signature: 

Date: 9/1/99

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

OIL CONSERVATION DIVISION  
2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. \_\_\_\_\_

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No. \_\_\_\_\_

7. Lease Name or Unit Agreement Name \_\_\_\_\_

8. Well No. Brine Supply #1

9. Pool name or Wildcat \_\_\_\_\_

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER Brine Well

2. Name of Operator Salty Dog, Inc.

3. Address of Operator P.O. Box 513 Hobbs Nm 88240

4. Well Location  
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 5 Township 19S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
3006 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMPLIANCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clear state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Walter Brisco TITLE Asst Manager DATE 9-8-99

TYPE AND PRINT NAME WALTER BRISCO TELEPHONE NO. 393-8352

(Line #) (or State Use)

APPROVED BY Chris Williams TITLE District Supervisor DATE 10/1/99

CONDITION FOR APPROVAL: \_\_\_\_\_

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including date of starting any proposed work) SEE RULE 1103.

- 8 - 4 - 99 Rigged up B.O.F. Well Servicing pulling unit. Pulled tubing out of the hole and strapped for accurate measurement. Went back into the hole with 7 - 5/8" bit and scraper. Drilled to a depth of 1,875 foot. Pulled out of hole.
- 8 - 8 - 99 Tripped into hole with Packer to find hole. Found and isolated hole at 60 ft. Pulled out of the hole.
- 8 - 9 - 99 Tripped back into the hole with a Retrievable Bridge Plug and set it at 90 ft.
- 8 - 10 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement.
- 8 - 11 - 99 Davis Tool rigged up a reverse unit and drilled out cement. Pressured up on casing. Did not hold.
- 8 - 12 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement with 2% cacl<sub>2</sub> added in.
- 8 - 13 - 99 Davis Tool reverse unit drilled out cement. Pressured up on well. Did not hold.
- 8 - 14 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement with cacl<sub>2</sub> added in.
- 8 - 16 - 99 Davis Tool reverse unit drilled out cement. Pressured up to 500 psi. for 15 minutes. Held pressure. Tripped into hole to pull Retrievable Bridge Plug. Tripped back into the hole to 1,850 ft. and set Packer. Pressured up on 8 - 5/8" casing to 500 psi.. Did not hold. Isolated another hole at approximately 250 ft. Pulled out of hole.
- 8 - 18 - 99 Decided to run 5 - 1/2" J - 55 15.50 casing in the hole. Set casing at a depth of 1,828.88 ft.
- 8 - 19 - 99 B.J. Services rigged up and cemented casing with 275 sacks of class 'C' cement with 2% cacl<sub>2</sub>. Cement did not circulate to surface.
- 8 - 20 - 99 Production Testing Services rigged up and ran a temperature survey. Top of cement was determined to be at 1,290 ft.

Form C - 103

- 8 - 23 - 99    Black Warrior Wireline rigged up and perforated at 1,280 ft.  
B.J. Services rigged up and pumped class 'C' cement with 2% cal2.  
Circulated 10 bbls of cement back to surface.
- 8 - 24 - 99    Davis Tool reverse unit drilled out cement. Ran a Mechanical Integrity  
Test at 300 psi. for 15 minutes. It held . Tripped out of hole laying down  
Collars and bit. Tripped back into hole with 2 - 7/8" J - 55, 6.5 tubing  
opened ended with notched collar. Set tubing at 2,534.84. Installed tubing  
head and rigged down.

Salty Dog, Inc.

The maximum pressure that we use for producing brine water  
Is 100 psi..

# WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

## SURFACE CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

## CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

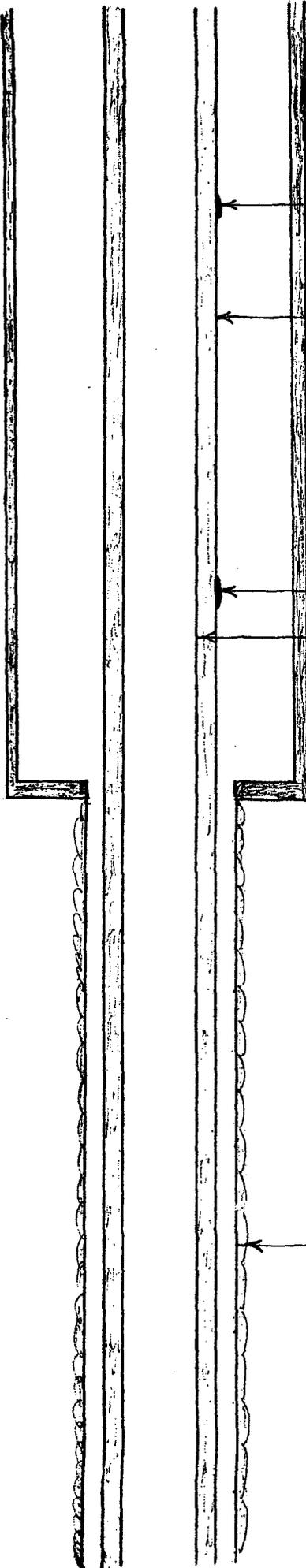
## TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

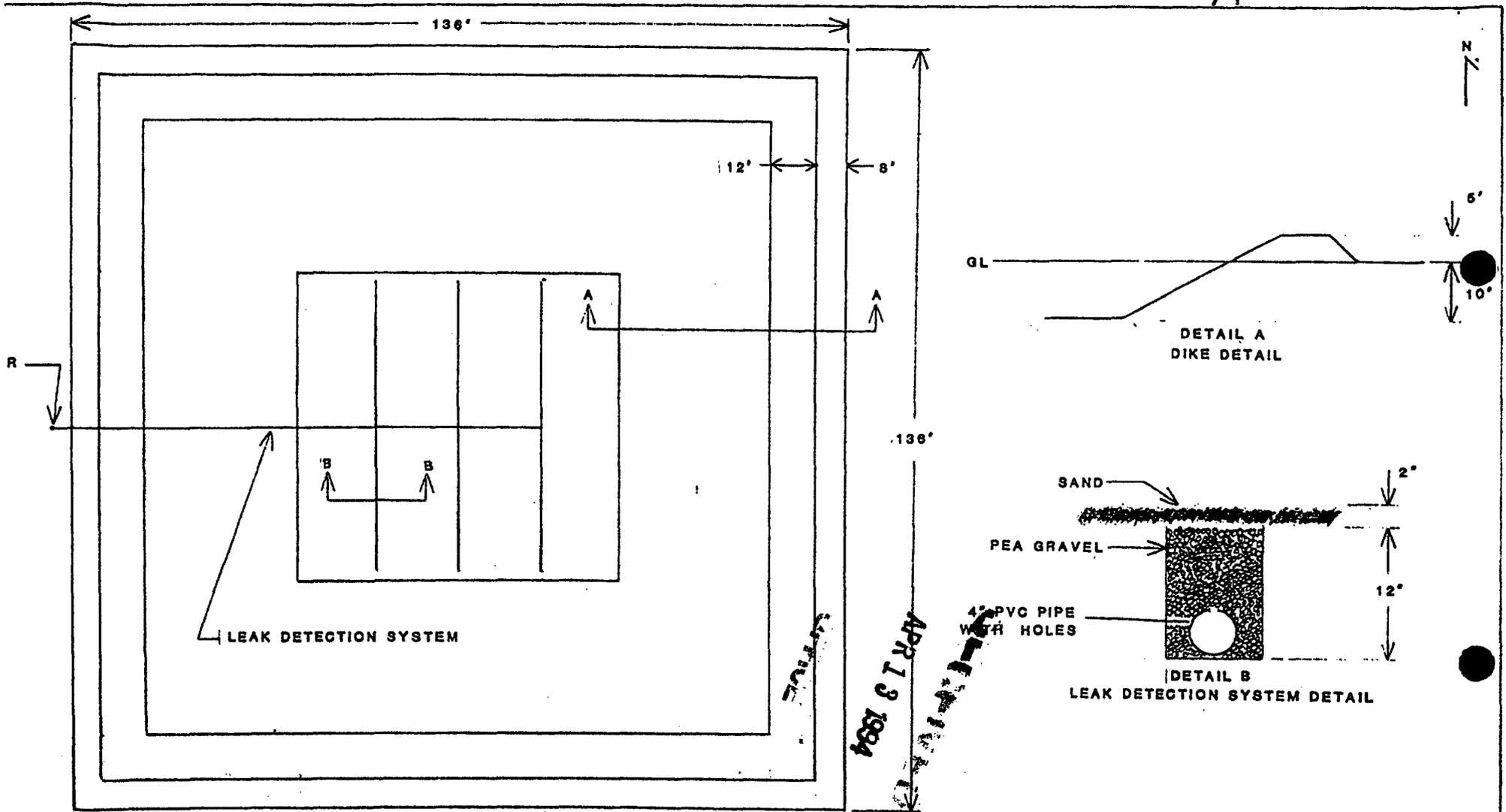
Hole Size 6 1/4"



Salty Dog Inc. is equipped with a surface lined pit. The surface pit has a built-in leak detection system installed in the bottom of the pit. It consists of four inch P.V.C. piping with holes drilled in the pipe. The pipe was installed in trenches 12" deep, then covered with pea gravel. Then the entire bottom of the pit was covered with sand. (See attachment A) Plastic liner was installed over the sand base. (See attachment B - Lined Evaporation Pit Permit No. LP-H-105) The P.V.C. pipe system was manifolded. It exists on the west side of surface pit with four foot riser at the end.

Should the plastic liner develop a leak, it can be detected by daily visual inspection of the riser. In the event a dike should leak, all drainage would be captured in a natural basin. It is located approximately 1200' south-southwest of the brine station. (See topographic map - figure 1)

Attachment  
A



NOTES

NATURAL RESOURCES ENGINEERING INC

NB01-001-001

BRINE STORAGE PIT

DRAWING NO

2

SHEET 1 OF 1

APPLICATION FOR PERMIT  
TO UTILIZE A LINED EVAPORATION PIT

PERMIT NO. LP-H-105

Attachment 'B'

New Mexico Oil Conservation Commission

Name of Operator SALT 4 D&G

Address PO Box 774 HOTELS 88240

Name of lease upon which evaporation pit will be located  
BRINE STORAGE

Location of evaporation pit: Unit Letter B Section 5 Township 19S Range 36E

Lease(s) which will be producing into pit NA

Pool(s) which will be producing into pit NA

Analysis of disposal water: Chlorides 10 LB BRINE Total dissolved solids APPR. 3000 ppm.  
(If more than one pool will be producing into pit, give water analysis for each pool.)

Quantity of water to be disposed of into this pit N/A barrels per day.

Water production from these same wells six months ago N/A bpd. Three months ago N/A bpd.  
(If more than one pool will be producing into pit, give water production data for each)

Method of hydrocarbon entrapment to be employed: Settling tank N/A Header pit N/A

If settling tank is to be used, give size and number of barrels N/A

If header pit is to be used, give dimensions and depth N/A

Header pit lining material N/A Thickness N/A

Dimensions of Evaporation Pit ("A" and "B" on diagram) 140 X 140

Number of square feet contained in above APPRX 22500

Depth (Top of levee to floor of pit--"D" on diagram) 8'

Material to be used as liner 5450 L. B. G. GOODURA Thickness 30 mil

Does manufacturer recommend protection of material from direct sunlight? Yes No

If yes, what means will be provided to so protect the material?

Is material resistant to hydrocarbons? Yes YES No

Is material resistant to acids and alkalis? Yes YES No

Is material resistant to salts? Yes YES No

Is material resistant to fungus? Yes YES No

Is material rot-resistant? Yes YES No

Will joints in material be fabricated in the field? Yes YES No

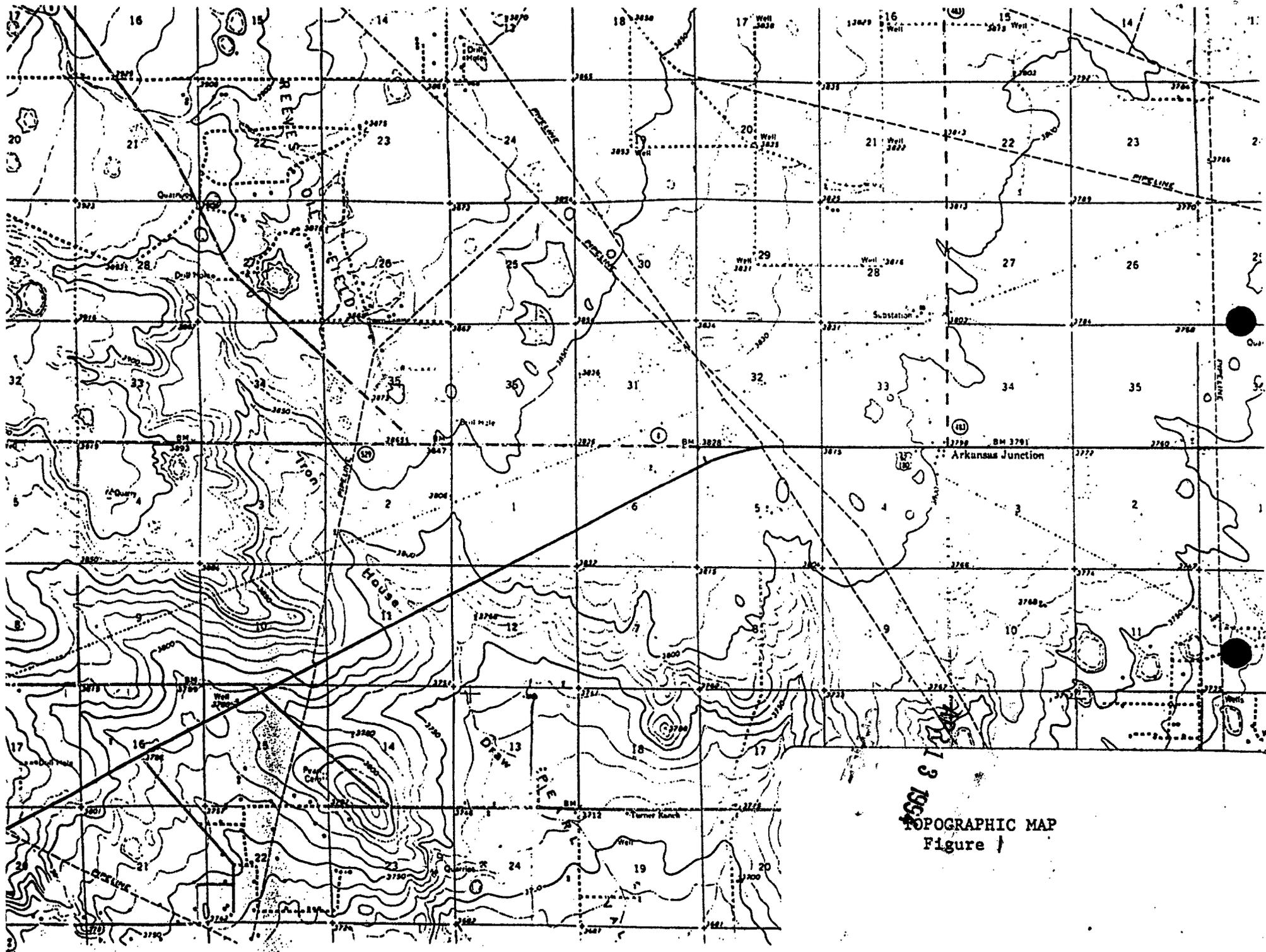
If yes, describe method to be used in lining material

Attach manufacturer's brochure describing the qualities of the lining material.

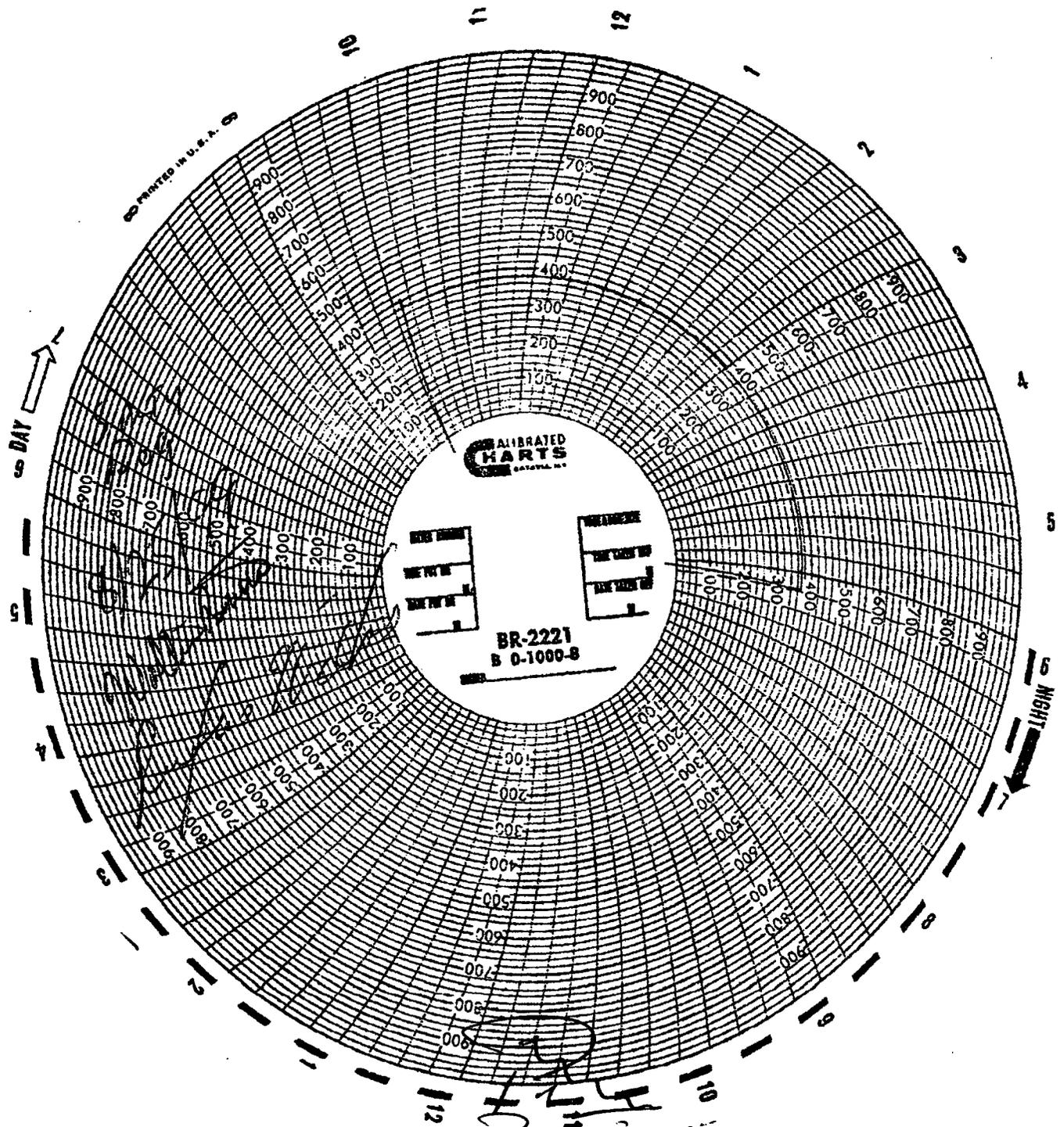
Describe the leakage detection system to be used GRID OF 4" PIPES  
(WITH HOLES)  
below liner - PACKED & ENCASED IN 4" (3/4" GRAVEL)  
GRAVEL TO DRAIN IN 15" PVC SWAMP WITH 4" PERFORATED

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and further, that the subject evaporation pit and appurtenances, when installed, will be kept in good repair, and that all due diligence will be exercised in keeping the surface of the water free of oil and other debris.

SALT 4 D&G INC. PO. 4-12-82



1951  
TOPOGRAPHIC MAP  
Figure 1



PETER B. FALLS  
 SALTY DOG  
 09/25/99

Salty Dog Inc. will commit to an investigation to identify the severity of the ground water contamination. We will start by drilling a monitor well 75 feet east of brine well. This well will be drilled within 30 days of approved renewal application. Salty Dog Inc. will have the responsibility of monitoring this well on a monthly basis for 6 months. If at this time the water is back to acceptable levels, we will start monitoring on a quarterly basis. All records of well monitoring will be filed with the NMOCD Hobbs office.

If it is determined by our investigation that the contamination has spread we will drill another well southeast of brine well and follow the same monitoring procedures as well #1.

59

State of New Mexico  
Energy, Minerals and Natural Resources Department  
**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, NM 87501

RECEIVED  
JAN 03 2000  
Environmental Bureau  
Oil Conservation Division

**DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES**

(Refer to OCD Guidelines for assistance in completing the application.)

NEW       RENEWAL

- I. FACILITY NAME: Salty Dog, Inc.
- II. OPERATOR: Salty Dog, Inc.  
ADDRESS: P. O. Box 2724 Lubbock, TX 79408  
CONTACT PERSON: Pieter Bergstein PHONE: 806-741-1080
- III. LOCATION: 1 /4 1 /4 Section 5 Township 19S Range 36E  
*Submit large scale topographic map showing exact location.*
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Pieter Bergstein

Title: President

Signature: 

Date: 9/1/99

**OIL CONSERVATION DIVISION**  
2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. \_\_\_\_\_

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No. \_\_\_\_\_

7. Lease Name or Unit Agreement Name \_\_\_\_\_

8. Well No. Brine Supply #1

9. Pool name or Wildcat \_\_\_\_\_

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER Brine Well

2. Name of Operator Salty Dog, Inc.

3. Address of Operator P.O. Box 513 Hobbs NM 88240

4. Well Location  
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 5 Township 19S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GK, etc.) 3006 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Walter Brisco TITLE: Asst Manager DATE: 9-8-99

TYPE AND PRINT NAME: WALTER BRISCO IDENTIFICATION NO.: 393-8352

(Name for State Use)

APPROVED BY: Chris Williams TITLE: District Supervisor DATE: 12/1/99

CONDITION OF APPROVAL, IF ANY

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including date of starting any proposed work) SEE RULE 1103.

- 8 - 4 - 99 Rigged up B.O.F. Well Servicing pulling unit. Pulled tubing out of the hole and strapped for accurate measurement. Went back into the hole with 7 - 5/8" bit and scraper. Drilled to a depth of 1,875 foot. Pulled out of hole.
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Form C - 103

- 8 - 23 - 99 Black Warrior Wireline rigged up and perforated at 1,280 ft. B.J. Services rigged up and pumped class 'C' cement with 2% cal2. Circulated 10 bbls of cement back to surface.
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**Salty Dog, Inc.**

**The maximum pressure that we use for producing brine water  
Is 100 psi..**

# WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

## SURFACE CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

## CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

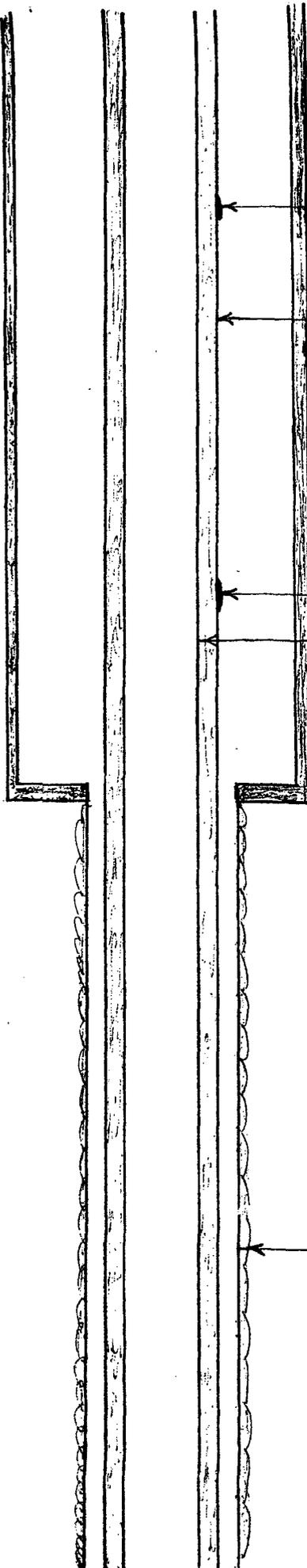
## TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

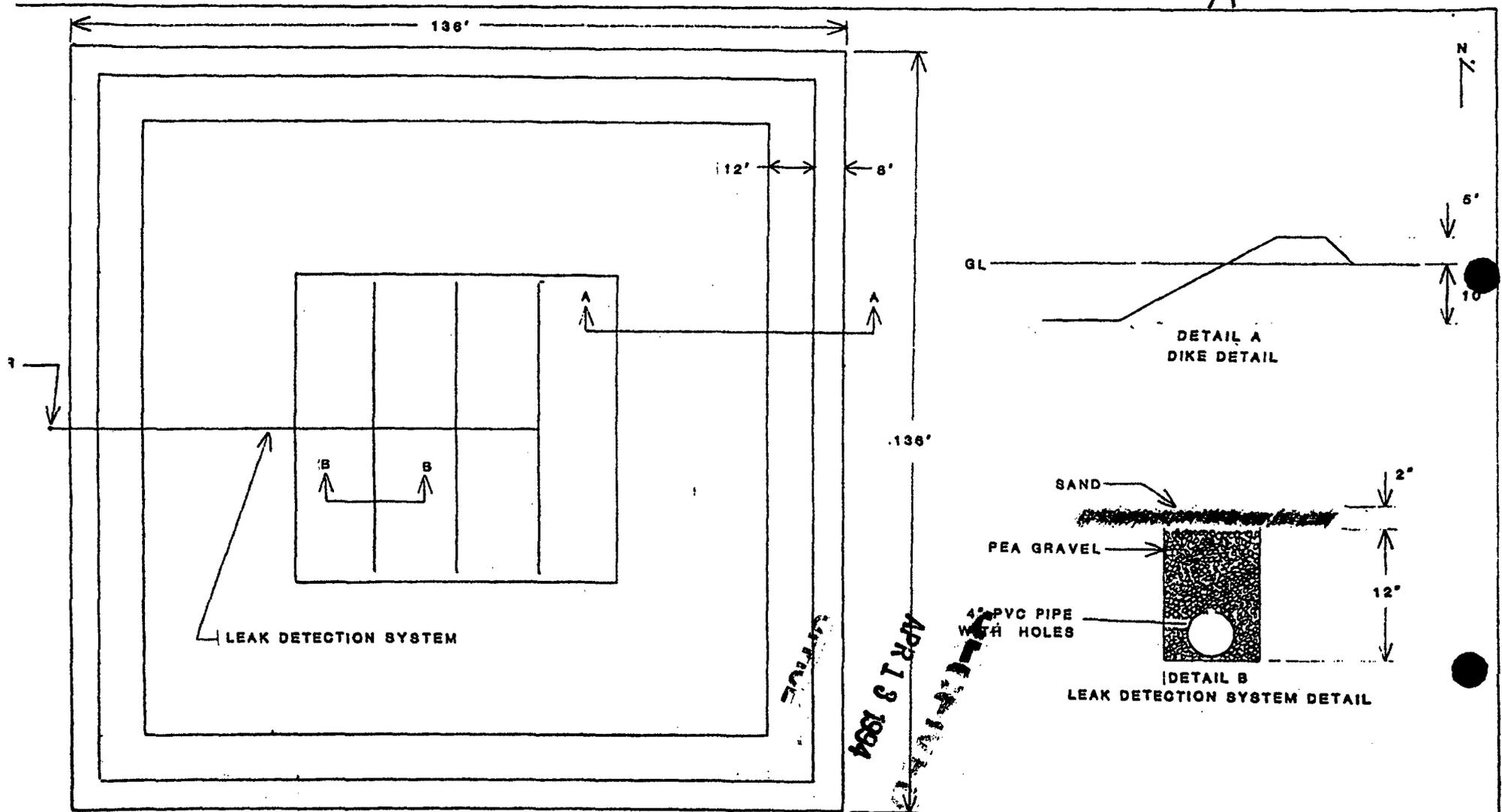
Hole Size 6 1/4"



**Salty Dog Inc. is equipped with a surface lined pit. The surface pit has a built-in leak detection system installed in the bottom of the pit. It consists of four inch P.V.C. piping with holes drilled in the pipe. The pipe was installed in trenches 12" deep, then covered with pea gravel. Then the entire bottom of the pit was covered with sand. (See attachment A) Plastic liner was installed over the sand base. (See attachment B – Lined Evaporation Pit Permit No. LP-H-105) The P.V.C. pipe system was manifolded. It exists on the west side of surface pit with four foot riser at the end.**

**Should the plastic liner develop a leak, it can be detected by daily visual inspection of the riser. In the event a dike should leak, all drainage would be captured in a natural basin. It is located approximately 1200' south-southwest of the brine station. (See topographic map – figure 1)**

Attachment  
A



NOTES

NATURAL RESOURCES ENGINEERING INC  
BRINE STORAGE PIT

NB01-001-001  
DRAWING NO  
2  
SHEET 1 OF 1

APPLICATION FOR PERMIT  
TO UTILIZE A LINED EVAPORATION PIT

PERMIT NO. LP-H-105

Attachment B

New Mexico Oil Conservation Commission

Name of Operator SATY DAG

Address PO Box 774 HOTELS P8240

Name of lease upon which evaporation pit will be located \_\_\_\_\_

Location of evaporation pit: Unit Letter B Section 5 Township 19S Range 36 E

Lease(s) which will be producing into pit NA

Pool(s) which will be producing into pit NA

Analysis of disposal water: Chlorides 10 ALB BRINE dissolved solids APPROX 3100 ppm.  
(If more than one pool will be producing into pit, give water analysis for each pool.)

Quantity of water to be disposed of into this pit N/A barrels per day.

Water production from these same wells six months ago NA bpd. Three months ago NA bpd  
(If more than one pool will be producing into pit, give water production data for each)

Method of hydrocarbon entrapment to be employed: Settling tank \_\_\_\_\_ Header pit N/A

If settling tank is to be used, give size and number of barrels N/A

If header pit is to be used, give dimensions and depth N/A

Header pit lining material N/A Thickness \_\_\_\_\_

Dimensions of Evaporation Pit ("A" and "B" on diagram) BRINE 140 X 140

Number of square feet contained in above APPROX 22500

Depth (Top of levee to floor of pit—"D" on diagram) 8'

Material to be used as liner 54420 LINE GOODUCA Thickness 30 mil

Does manufacturer recommend protection of material from direct sunlight? Yes \_\_\_\_\_ No ✓

If yes, what means will be provided to so protect the material? \_\_\_\_\_

Is material resistant to hydrocarbons? Yes YES No \_\_\_\_\_

Is material resistant to acids and alkalis? Yes YES No \_\_\_\_\_

Is material resistant to salts? Yes YES No \_\_\_\_\_

Is material resistant to fungus? Yes YES No \_\_\_\_\_

Is material rot-resistant? Yes YES No \_\_\_\_\_

Will joints in material be fabricated in the field? Yes YES No \_\_\_\_\_

If yes, describe method to be used in joining material \_\_\_\_\_

Attach manufacturer's brochure describing the qualities of the lining material.

Describe the leakage detection system to be used GRID OF 4" pipe

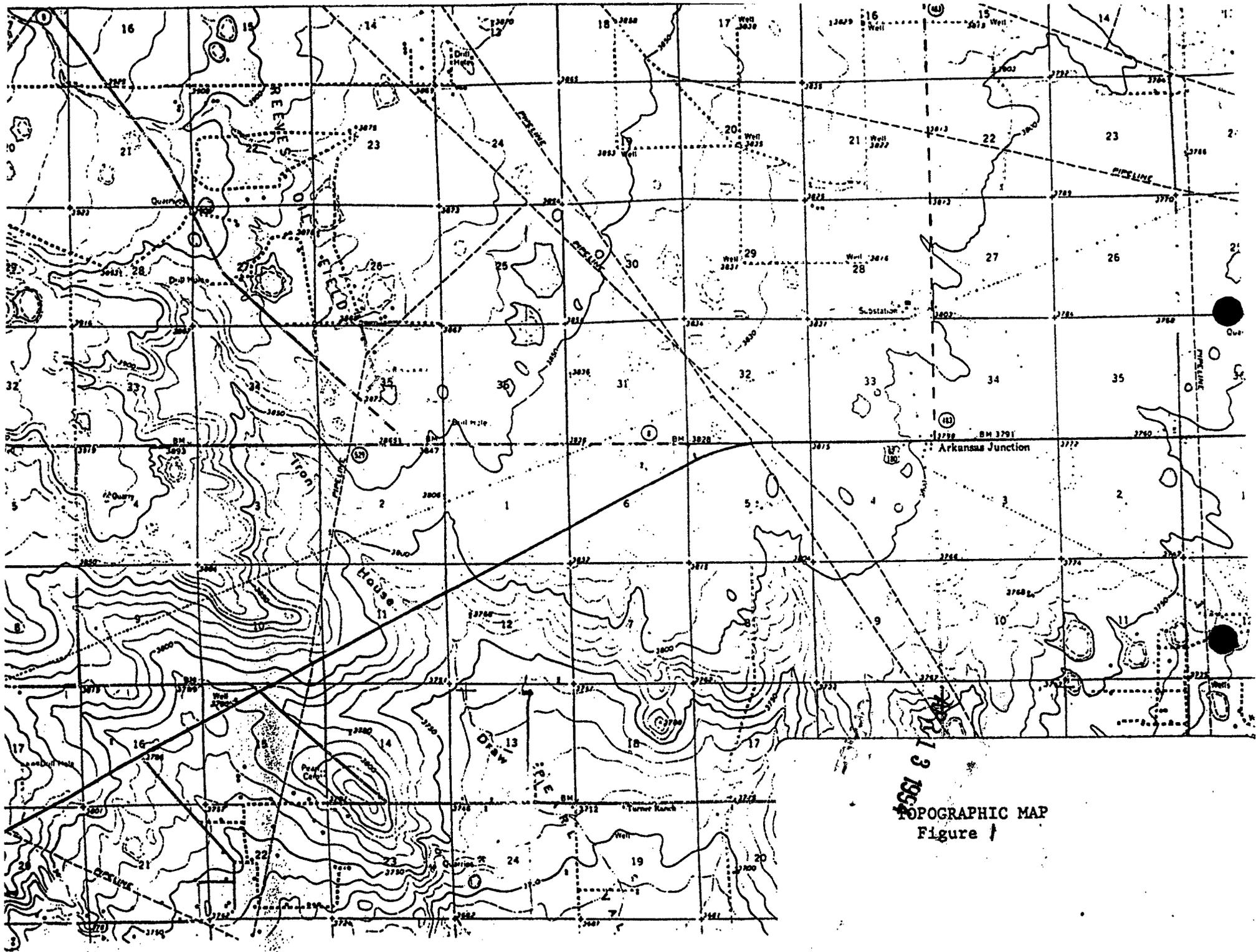
(WITH HOLES) below liner - PACKED & ENCASED IN 4" (3/4 GRAVEL)

GRADED TO DRAIN IN 15" PVC SUMP WITH 4" PERFORATED

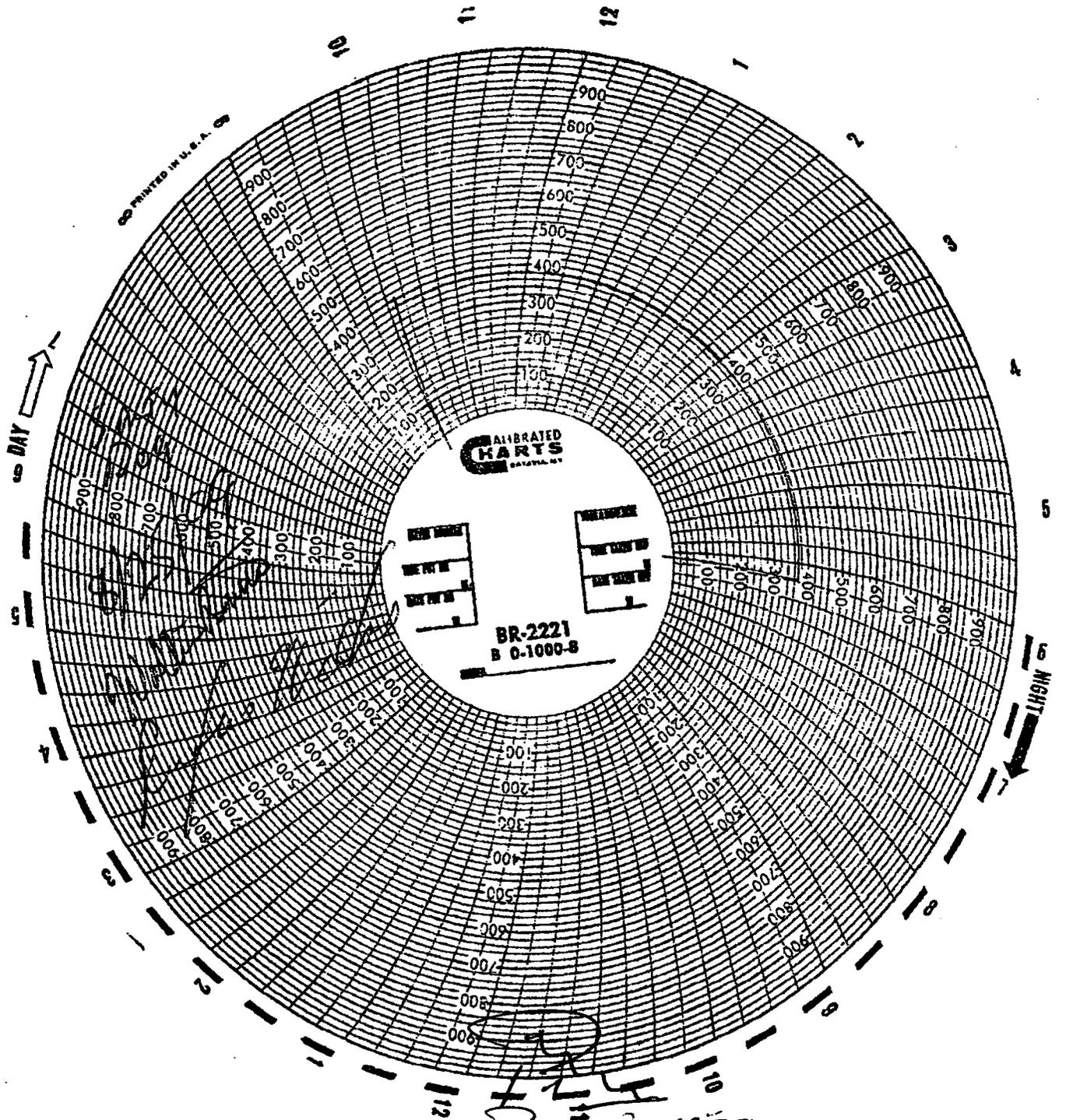
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and further, that the subject evaporation pit and appurtenances, when installed, will be kept in good repair, and that all due diligence will be exercised in keeping the surface of the water free of oil and other debris.

SATY DAG INC PO

4-12-82



TOPOGRAPHIC MAP  
Figure 1



Salty Dog Inc. will commit to an investigation to identify the severity of the ground water contamination. We will start by drilling a monitor well 75 feet east of brine well. This well will be drilled within 30 days of approved renewal application. Salty Dog Inc. will have the responsibility of monitoring this well on a monthly basis for 6 months. If at this time the water is back to acceptable levels, we will start monitoring on a quarterly basis. All records of well monitoring will be filed with the NMOCD Hobbs office.

If it is determined by our investigation that the contamination has spread we will drill another well southeast of brine well and follow the same monitoring procedures as well #1.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

January 05, 2000

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 142 564 922**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008 Renewal Application

Dear Mr. Bergstein:

On November 08, 1999 the New Mexico Oil Conservation Division (NMOCD) requested additional information in order to process the renewal application for the Salty Dog Inc. Water Station. On January 03, 2000 the NMOCD received your response and after reviewing the submitted information, it appears Salty Dog Inc.'s response is still deficient. Below are the bullet items that were requested in the November 08, 1999 letter and below each item is NMOCD's response.

Item 1. The renewal application was not signed. Please provide with signature.

Response: Salty Dog, Inc. submitted the signed applications. No further action required on this item.

Item 2. Please provide to NMOCD Environmental Bureau the signed approved copy of the C-103's for the recent brine well work over. Please include pressure charts with detail explanation on how test was performed, a typed written detailed description and well bore schematic showing the construction and completion of the well. Please indicate where leaks were found in the casing and how they were repaired.

Response: The pressure chart date does not match the C-103 description. The C-103 indicated the test was ran on 8/24/99. The chart is dated 8/25/99 and does not contain sufficient information. Please provide a detail explanation on how test was performed and cross-reference the chart to this explanation. Please include well name and legal location, recorder information, OCD witness signature, and send in original chart.

The well bore sketch appears to be wrong. The drawing shows an outside water protection casing. After reviewing the file it appears there is no outside casing for water protection. Please correct and re-submit.

Item 3. Salty Dog Inc. shall determine and provide the new maximum operating injection pressure, new average flow rates and formation fracture pressures.

Response: Salty Dog, Inc. provided the maximum operating injection pressure but did not provide the estimated average flow rates and formation fracture pressure. Please provide this information.

Mr. Piter Bergstein  
01/05/00  
page 2

Item. 4. Please provide a plan to address how Salty Dog Inc. will monitor the brine pond for leaks.

Response: Salty Dog Inc. stated " In the event a dike should leak, all drainage would be captured in a natural basin. It is located approximately 1200' south-southwest of the brine station. (see topographic map-figure 1)." Please note playa lakes are considered waters of the state and therefore NMOCD cannot accept your plan. Please propose another plan which includes controls to prevent run-off from the facility site, such as berming etc.

In addition, please mark the location of the brine water station and the brine well on the topographic map and re-submit.

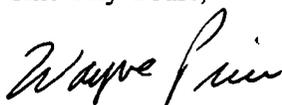
Item 5. Salty Dog Inc. shall submit for NMOCD approval an abatement plan pursuant to 20 NMAC 6.2.4105.A.6 to investigate and abate the groundwater contamination caused by the recent brine well casing leak.

Response: Salty Dog. Inc.'s commitment to modify the discharge to include ground-water investigation cannot be accepted because it does not follow the procedures listed in 20 NMAC 6.2.4105.A.6 to investigate and remediate (abate) groundwater contamination. The plan submitted was only for investigation and monitoring, no commitment to remediate (abate) groundwater was included. Please re-submit and commit to modifying the discharge plan to include investigation and remediation (abatement) of groundwater pursuant to the above New Mexico Water Quality Control Commission (WQCC) Regulation 20 NMAC 6.2.4105.A.6.

Please note facilities under the authority of a ground-water discharge plan which has been approved by the NMOCD is exempted from parts of the WQCC regulations (Subpart IV -Prevention and Abatement of Water Pollution). Pursuant to 20 NMAC 6.2.4105.A.6, this exemption allows the discharge plan operator to investigate and remediate (abate) ground-water contamination under a less rigorous procedure "provided that such abatement is consistent with the requirements and provisions of WQCC sections 4101, 4103, 4106.C, 4106.E, 4107 and 4112 of this part;". The complete New Mexico Water Quality Control Commission Regulations may be obtained off the Internet at address ([www.nmenv.state.nm.us/](http://www.nmenv.state.nm.us/)).

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

cc: OCD Hobbs Office

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to OCD Guidelines for assistance in completing the application.)

NEW  RENEWAL

RECEIVED  
JAN 03 2000  
Environmental Bureau  
Oil Conservation Division

I. FACILITY NAME: Salty Dog, Inc.

II. OPERATOR: Salty Dog, Inc.

ADDRESS: P. O. Box 2724 Lubbock, TX 79408

CONTACT PERSON: Pieter Bergstein PHONE: 806-741-1080

III. LOCATION: 1 / 4 1 / 4 Section 5 Township 19S Range 36E

*Submit large scale topographic map showing exact location.*

IV. Attach the name and address of the landowner of the facility site.

V. Attach a description of the types and quantities of fluids at the facility.

VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.

VII. Attach a description of underground facilities (i.e. brine extraction well).

VIII. Attach a contingency plan for reporting and clean-up of spills or releases.

IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.

X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Pieter Bergstein Title: President

Signature:  Date: 9/1/99

Submit 3 Copies to Adj. State District Office

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

8. Well No. Brine Supply #1

9. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER Brine Well

2. Name of Operator Salty Dog, Inc.

3. Address of Operator P.O. Box 513 Hobbs Nm 88240

4. Well Location  
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 5 Township 19S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3806. GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMPLIANCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Check state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Walter Brisco TITLE: Asst Manager DATE: 9-8-99

TYPE OF REPORT NAME: WALTER Brisco TELEPHONE NO.: 393-8352

(This is for State Use)

APPROVED BY: Chris Williams TITLE: District Supervisor DATE: 12/1/99

CONDITIONS OF APPROVAL, IF ANY:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including date of starting any proposed work) SEE RULE 1103.

- 8 - 4 - 99 Rigged up B.O.F. Well Servicing pulling unit. Pulled tubing out of the hole and strapped for accurate measurement. Went back into the hole with 7 - 5/8" bit and scraper. Drilled to a depth of 1,875 foot. Pulled out of hole.
- 8 - 8 - 99 Tripped into hole with Packer to find hole. Found and isolated hole at 60 ft. Pulled out of the hole.
- 8 - 9 - 99 Tripped back into the hole with a Retrievable Bridge Plug and set it at 90 ft.
- 8 - 10 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement.
- 8 - 11 - 99 Davis Tool rigged up a reverse unit and drilled out cement. Pressured up on casing. Did not hold.
- 8 - 12 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement with 2% cacl<sub>2</sub> added in.
- 8 - 13 - 99 Davis Tool reverse unit drilled out cement. Pressured up on well. Did not hold.
- 8 - 14 - 99 B.J. Services rigged up and performed a squeeze job with 75 sacks of class 'C' cement with cacl<sub>2</sub> added in.
- 8 - 16 - 99 Davis Tool reverse unit drilled out cement. Pressured up to 500 psi. for 15 minutes. Held pressure. Tripped into hole to pull Retrievable Bridge Plug. Tripped back into the hole to 1,850 ft. and set Packer. Pressured up on 8 - 5/8" casing to 500 psi.. Did not hold. Isolated another hole at approximately 250 ft. Pulled out of hole.
- 8 - 18 - 99 Decided to run 5 - 1/2" J - 55 15.50 casing in the hole. Set casing at a depth of 1,828.88 ft.
- 8 - 19 - 99 B.J. Services rigged up and cemented casing with 275 sacks of class 'C' cement with 2% cacl<sub>2</sub>. Cement did not circulate to surface.
- 8 - 20 - 99 Production Testing Services rigged up and ran a temperature survey. Top of cement was determined to be at 1,290 ft.

Form C - 103

- 8 - 23 - 99    Black Warrior Wireline rigged up and perforated at 1,280 ft.  
B.J. Services rigged up and pumped class 'C' cement with 2% cal2.  
Circulated 10 bbls of cement back to surface.
- 8 - 24 - 99    Davis Tool reverse unit drilled out cement. Ran a Mechanical Integrity  
Test at 300 psi. for 15 minutes. It held . Tripped out of hole laying down  
Collars and bit. Tripped back into hole with 2 - 7/8" J - 55, 6.5 tubing  
opened ended with notched collar. Set tubing at 2,534.84. Installed tubing  
head and rigged down.

Salty Dog, Inc.

The maximum pressure that we use for producing brine water  
Is 100 psi..

# WELL BORE SKETCH

Hole at 60'

Hole Size 12 1/4"

## SURFACE CASING:

Size 8 5/8" Weight 24# & 32# Grade J-55

Set at 1877' with 850 Sacks Cement

Circulate 200 Sacks to Surface

Hole at 250'

## CASING LINER:

Size 5 1/2" Weight 15.50 # Grade J-55

Set at 1829' with 275 Sacks Cement

Circulate 10 bbls Sacks to Surface

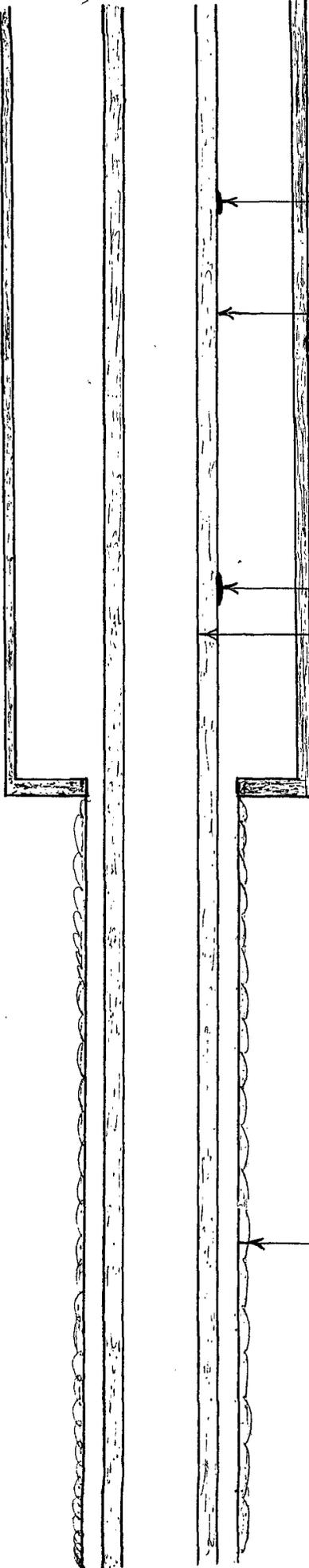
## TUBING:

Size 2 7/8" Weight 6.5# Grade J-55

Number of Joints 82 Set at 2534'

Bottom arrangement: Open ended with notched collar

Hole Size 6 1/4"

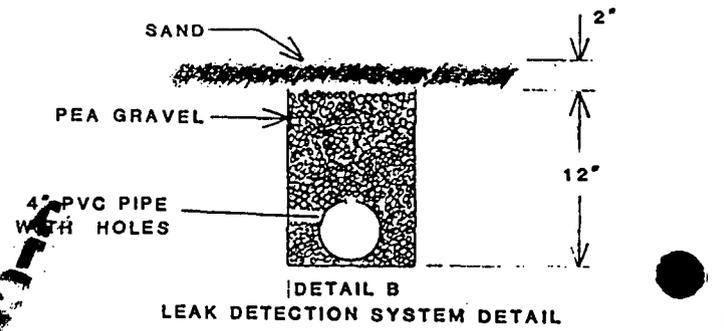
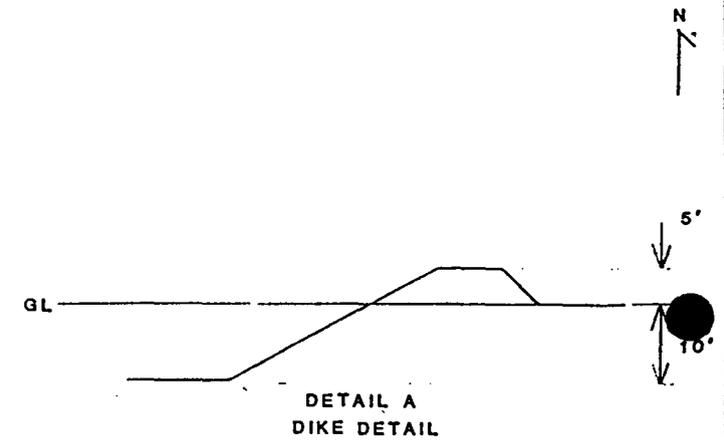
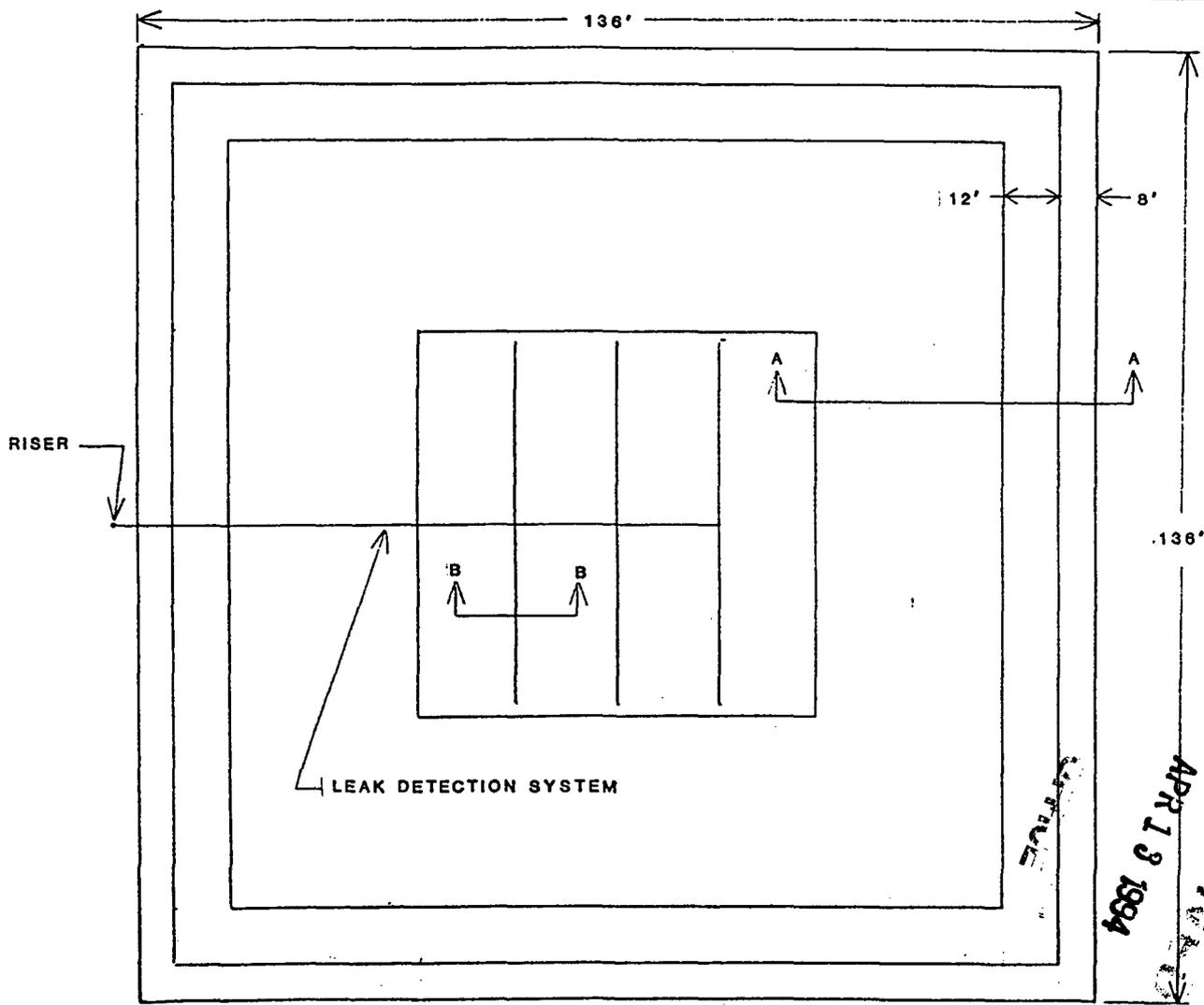


4

Salty Dog Inc. is equipped with a surface lined pit. The surface pit has a built-in leak detection system installed in the bottom of the pit. It consists of four inch P.V.C. piping with holes drilled in the pipe. The pipe was installed in trenches 12" deep, then covered with pea gravel. Then the entire bottom of the pit was covered with sand. (See attachment A) Plastic liner was installed over the sand base. (See attachment B – Lined Evaporation Pit Permit No. LP-H-105) The P.V.C. pipe system was manifolded. It exists on the west side of surface pit with four foot riser at the end.

Should the plastic liner develop a leak, it can be detected by daily visual inspection of the riser. In the event a dike should leak, all drainage would be captured in a natural basin. It is located approximately 1200' south-southwest of the brine station. (See topographic map – figure 1)

Attachment  
'A'



APR 18 1994

NOTES

NATURAL RESOURCES ENGINEERING INC

NB01-001-001

BRINE STORAGE PIT

DRAWING NO

2

SHEET 1 OF 1

APPLICATION FOR PERMIT  
TO UTILIZE A LINED EVAPORATION PIT

PERMIT NO. LP-H-105

Attachment 'B'

New Mexico Oil Conservation Commission

Name of Operator SARTY DAD

Address PO Box 774 HOTERS 88240

Name of lease upon which evaporation pit will be located BRINE STORAGE

Location of evaporation pit: Unit Letter B Section 5 Township 19S Range 36 E

Lease(s) which will be producing into pit N/A

Pool(s) which will be producing into pit N/A

Analysis of disposal water: Chlorides 10 LLB BRINE ppm. Total dissolved solids APR 13 1982 ppm.  
(If more than one pool will be producing into pit, give water analysis for each pool.)

Quantity of water to be disposed of into this pit N/A barrels per day.

Water production from these same wells six months ago N/A bpd. Three months ago N/A bpd  
(If more than one pool will be producing into pit, give water production data for each)

Method of hydrocarbon entrapment to be employed: Settling tank N/A Header pit N/A

If settling tank is to be used, give size and number of barrels N/A

If header pit is to be used, give dimensions and depth N/A

Header pit lining material N/A Thickness N/A

Dimensions of Evaporation Pit ("A" and "B" on diagram) 100 X 100

Number of square feet contained in above APPROX 22500

Depth (Top of levee to floor of pit--"D" on diagram) 8'

Material to be used as liner HYDRO LINE GOODRICH Thickness 30 mil

Does manufacturer recommend protection of material from direct sunlight? Yes No No Y

If yes, what means will be provided to so protect the material?

Is material resistant to hydrocarbons? Yes YES No

Is material resistant to acids and alkalis? Yes YES No

Is material resistant to salts? Yes YES No

Is material resistant to fungus? Yes YES No

Is material rot-resistant? Yes YES No

Will joints in material be fabricated in the field? Yes YES No

If yes, describe method to be used in lining material

Attach manufacturer's brochure describing the qualities of the lining material.

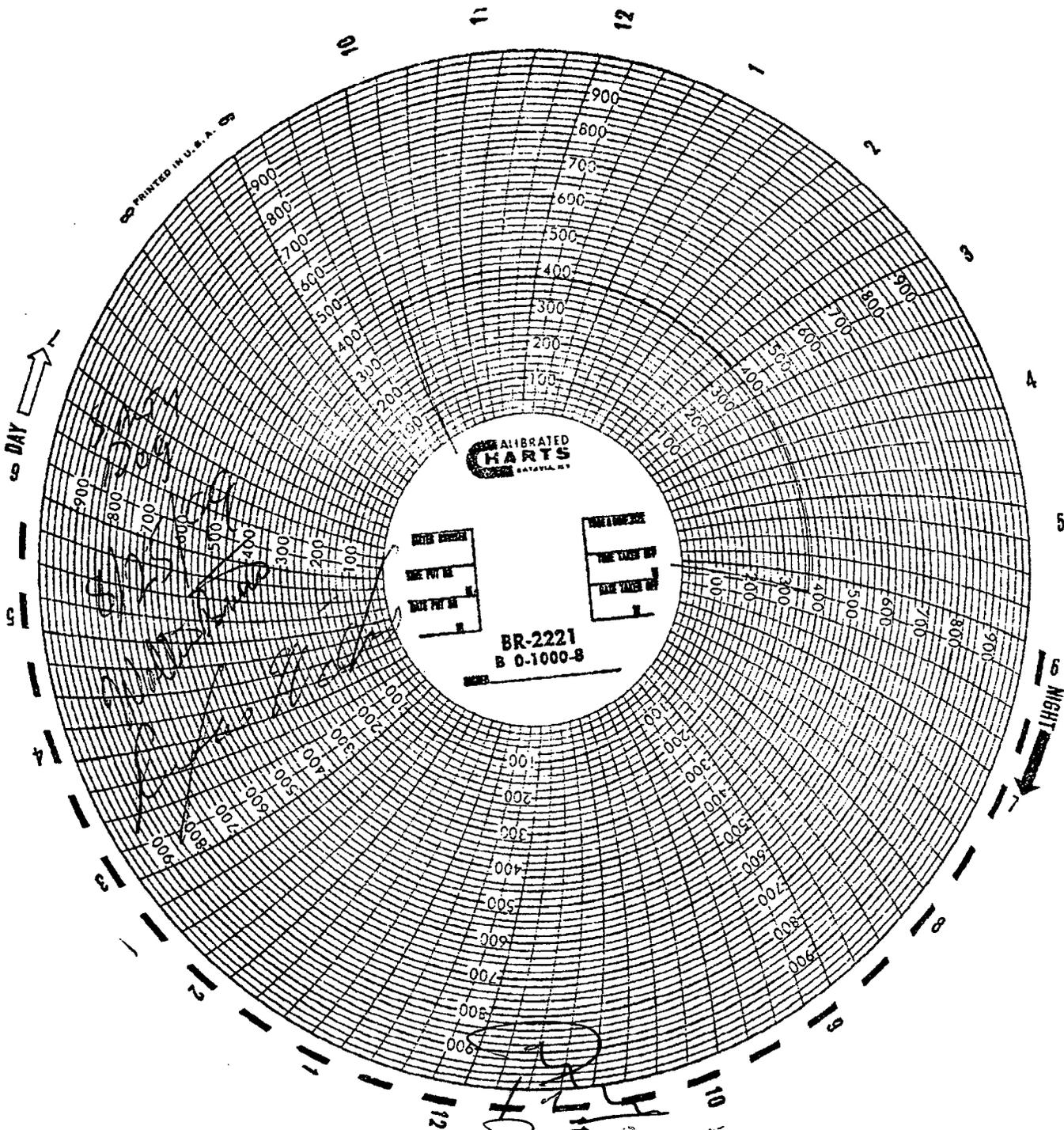
Describe the leakage detection system to be used GRID OF 4" pipe (WITH HOLES) below liner - GRICKED & ENCASED IN 4" (5/8 GRAVEL) GRADED TO DRAIN IN 15" PVC SUMP WITH 4" PERSISTENT

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and further, that the subject evaporation pit and appurtenances, when installed, will be kept in good repair, and that all due diligence will be exercised in keeping the surface of the water free of oil and other debris.

Name SARTY DAD Title PRAS. Date 4-12-82

Approved by JERRY SEYTON Title  Date APR 13 1982





PETER L. FULSTERNI  
 SALTY DOG  
 08/25/99

Salty Dog Inc. will commit to an investigation to identify the severity of the ground water contamination. We will start by drilling a monitor well 75 feet east of brine well. This well will be drilled within 30 days of approved renewal application. Salty Dog Inc. will have the responsibility of monitoring this well on a monthly basis for 6 months. If at this time the water is back to acceptable levels, we will start monitoring on a quarterly basis. All records of well monitoring will be filed with the NMOCD Hobbs office.

If it is determined by our investigation that the contamination has spread we will drill another well southeast of brine well and follow the same monitoring procedures as well #1.

*May 1st Price  
827-7155*

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to OCD Guidelines for assistance in completing the application.)

NEW  RENEWAL

I FACILITY NAME: Salty Dog Brine Station  
II OPERATOR: Salty Dog Inc  
ADDRESS: Po Box 2724 Lubbock TX 79408  
CONTACT PERSON: Peter Bergstein PHONE: 806 741-1080  
III LOCATION:        / 4 / 4 Section 5 Township 19 Range 36 East  
*Submit large scale topographic map showing exact location.*

- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- ✓ VII. Attach a description of underground facilities (i.e. brine extraction well).
- ✓ VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

RECEIVED  
NOV 10 1999  
Environmental Bureau  
Oil Conservation Division

XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: PETER BERGSTEIN Title: PRESIDENT  
Signature: [Signature] Date: 11/8/99

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

Wayne Price  
827-7155

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to OCD Guidelines for assistance in completing the application.)

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II. OPERATOR: Salty Dog Inc

ADDRESS: Po Box 2724 Lubbock TX 79408

CONTACT PERSON: Peter Bergstein PHONE: 806 741-1080

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*Submit large scale topographic map showing exact location.*

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Name: PETER BERGSTEIN Title: PRESIDENT

Signature:  Date: 11/8/99

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

November 9, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P 410 425 202**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog Inc. Water Station  
Discharge Plan BW-008 Renewal Application

Dear Mr. Bergstein:

The New Mexico Oil Conservation Division (NMOCD) requires the additional information in order to process the renewal application:

1. The renewal application was not signed. Please provide with signature.
2. Please provide to NMOCD Environmental Bureau the signed approved copy of the C-103's for the recent brine well work over. Please include pressure charts with detail explanation on how test was performed, a typed written detailed description and well bore schematic showing the construction and completion of the well. Please indicate where leaks were found in the casing and how they were repaired.
3. Salty Dog Inc. shall determine and provide the new maximum operating injection pressure, new average flow rates and formation fracture pressures.
4. Please provide a plan to address how Salty Dog Inc. will monitor the brine pond for leaks.
5. Salty Dog Inc. shall submit for NMOCD approval an abatement plan pursuant to 20 NMAC 6.2.4105.6 to investigate and abate the groundwater contamination caused by the recent brine well casing leak.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

cc: OCD Hobbs Office

P.O. Box 2724  
Lubbock, TX 79408  
Ph: (806) 741-1080  
Fax: (806) 741-1301

**PAB**  
SERVICES INC.

September 13, 1999

Wayne Price Ped Engineer Spec  
New Mexico Energy, Minerals  
And Natural Resources Dept.  
2040 S Pacheco  
Santa Fe, NM 87505

Re: Salty Dog Brine Station  
Section 5 Township 19S Range 36E

Dear Mr. Price,

Please except this letter of request to waive your requirement of a sonar log to determine cavity configuration.

We request to offer you a alternate method of calculation by adding up past years barrels produced and divide them by 7 giving the cubic feet of mined salt.

We have visited will Mr. Al Hickerson concerning sonar logs which he explained the complexity.

Over the years Layers of Anahydryde have shifted and closed the original open hole leaving only a tubing size hole.

The sonar log tool is 4 ½ Inc. which we would have to redrill true each layer of Anhydryde view each section shoot off drill collers each time and trip like that until bottom he estimates a expense of about \$50,000.00.

According to Mr. Hickerson this complex and costly procedure will not always guarantee proper results due to cave in and shifting of Anhydryde there are pockets of air difficult to count for.

Hope you will accept our alternative method of calculation due to our favorable well location.

Sincerely,



Pieter Bergstein

P.O. Box 2724  
Lubbock, TX 79408  
Ph: (806) 741-1080  
Fax: (806) 741-1301

**PAB**  
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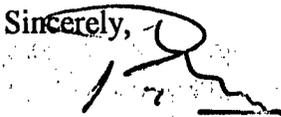
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Sincerely,

  
Pieter Bergstein



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 10, 1999

*Wayne Price Set 7155*

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 120**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008

Dear Mr. Bergstein:

The groundwater discharge plan BW-008 for the Salty Dog, Inc. Water Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico expired on April 18, 1999. Salty Dog Inc. is hereby ordered to cease operations until they have obtained an approved discharge plan pursuant to section 3-109.A. of the Water Quality Control Commission Regulations. The NMOCD will require the following information if Salty Dog Inc. wishes to renew its operations.

1. Submit a discharge plan application pursuant to section 3-106 of the Water Quality Control Commissions Regulations along with a \$50.00 filing fee. NMOCD has enclosed a blank form and a copy of the guidelines for your use.
2. Submit a completed Form C-103 for NMOCD approval to investigate the mechanical integrity of the well and a plan to determine cavity configuration.
3. Submit all past quarterly reports.
4. The NMOCD Environmental Bureau records in Santa Fe, NM indicate the last mechanical integrity test was performed on October 11, 1995. Please provide all records pertaining to this well, i.e. testing, work-over, releases, etc.

If Salty Dog, Inc does not wish to continue operations then please submit a closure plan for NMOCD approval by September 15, 1999.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7152).

Sincerely Yours,

Roger C. Anderson  
Environmental Bureau

PETER BERGSTEIN  
PRESIDENT.

cc: OCD Hobbs District



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 10, 1999

*Wayne Price Set 7155*

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 120**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008

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Sincerely Yours,

Roger C. Anderson  
Environmental Bureau

  
PETER BERGSTEIN  
PRESIDENT.

cc: OCD Hobbs District



2303

ZIA TRANSPORTS, INC.

Salty Dog - Renewal  
Application Fee

2303

50.00

9/28/99

N.M.O.C.D.

\$50.00

ZIA TRANSPORTS, INC.  
P.O. BOX 513  
HOBBS, NM 88240

*ATTN: Wayne Price*



87305-3472 57



# The Santa Fe New Mexican

Since 1849. We Read You.

NM OIL CONSERVATION DIV.  
ATTN: LUPE SHERMAN  
2040 SOUTH PACHECO STREET  
SANTA FE, NM 87505

AD NUMBER: 109636      ACCOUNT: 56689  
LEGAL NO: 66103      P.O.#: 00199000278  
165 LINES      1 time(s) at \$ 72.64  
AFFIDAVITS: 5.25  
TAX: 4.87  
TOTAL: 82.76

## AFFIDAVIT OF PUBLICATION

### NOTICE OF PUBLICATION

STATE OF NEW MEXICO  
ENERGY, MINERALS  
& NATURAL RESOURCES  
DEPARTMENT  
OIL CONSERVATION  
DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(BW-08) - Salty Dog Inc., Pieter Bergstein, President, P.O. Box 2724, Lubbock, Texas 79408 has submitted an application for the renewal of a discharge plan for the Arkansas Junction Brine Station, located in Section 5, Township 19 South, Range 36 East NMPM, Lea County, New Mexico. Approximately 90 gallons per minute of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak or accidental discharge to the surface is at a depth of approximately 75 feet with a total dissolved solids concentration of 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information

from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The Discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under of the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 16th day of September, 1999.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
LORI WROTENBERY,  
Director

Legal #66103  
Pub. September 22, 1999

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

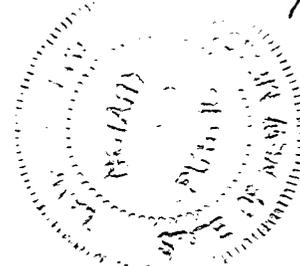
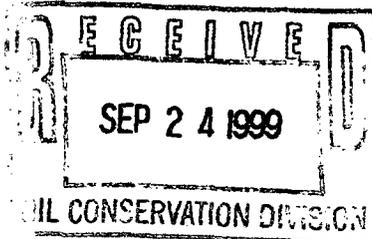
I, PAMELA BEACH being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTE FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #66103 a copy of which is hereto attached was published in said newspaper 1 day(s) between 09/22/1999 and 09/22/1999 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 22 day of September, 1999 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/ Pamela Beach  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
22 day of September A.D., 1999

Notary Laura R. Harding

Commission Expires 11/23/99



APPROVED BY  
W. PRUEB-OCB  
10/18/99  
WJ

# The Santa Fe New Mexican

Since 1849. We Read You.

NM OIL CONSERVATION DIV.

AD NUMBER: 109652      ACCOUNT: 56689  
LEGAL NO: 66104      P.O.#: 0019900278  
228 LINES      1 time(s) at \$ 100.38  
AFFIDAVITS:      5.25  
TAX:      6.60  
TOTAL:      112.23

## AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, PAMELA BEACH being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTE FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #66104 a copy of which is hereto attached was published in said newspaper 1 day(s) between 09/22/1999 and 09/22/1999 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 22 day of September, 1999 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

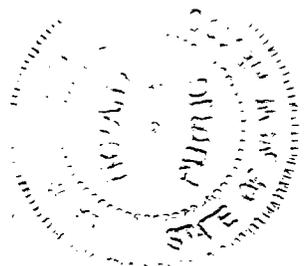
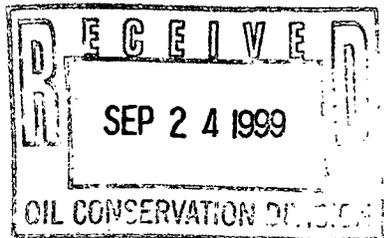
APPROVED BY W/R  
OCD - 10/18/99  
20

/s/ Pamela Beach  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
22 day of September A.D., 1999

Notary Laura E. Harding

Commission Expires 11/23/99





**The Lovington Daily LEADER**  
The Oldest Newspaper in Lea County... Serving Since 1898

DRAWER 1717 LOVINGTON, NM 88260

Statement of Account For

NM Energy, Minerals, & Natural Resource Dept.  
 • Oil Conservation Division  
 • 2040 So. Pacheco St.  
 • Santa Fe, NM 87505

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Month of October 19 99

DISPLAY ADVERTISING:

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CLASSIFIED ADVERTISING:

\_\_\_\_\_ words @ \_\_\_\_\_

\_\_\_\_\_ inches @ \_\_\_\_\_

OTHER CHARGES:

Legal Notice  
 Notice of Publication  
 BW-08  
 Ad Ran September 22, 1999.

*APPROVED BY [Signature] 10/18/99*

Total.....	52	80
Tax.....		
Total this month.....	52	80
Previous Balance.....		
PLEASE PAY THIS AMOUNT.....		

*[Signature]*  
 Debbie Schilling  
 Notary Public, Lea County, New Mexico  
 My Commission Expires June 22, 2002

2040 South Pacheco,  
 Santa Fe, New Mexico  
 87505, Telephone (505)  
 827-7131

(BW-08) - Salty Dog Inc.,  
 Pieter Bergstein,  
 President, P.O. Box  
 2724, Lubbock, Texas  
 79406 has submitted an  
 application for the  
 renewal of a discharge

**NOTICE**

The state cops were  
 for them, I can't really  
 gang mess.  
 State Fair Commiss  
 don't have a problem

may be viewed at the  
 above address between  
 8:00 a.m. and 4:00 p.m.  
 Monday through Friday.  
 Prior to ruling on any pro-  
 posed discharge plan or  
 its modification, the  
 Director of the Oil  
 Conservation Division  
 shall allow at least thirty  
 (30) days after the date of  
 publication of this notice  
 during which comments  
 may be submitted to him  
 and a public hearing may  
 be requested by any inter-  
 ested person. Requests  
 for a public hearing shall  
 set forth the reasons why  
 a hearing should be held.  
 A hearing will be held if  
 the Director determines  
 there is significant public  
 interest.

**LEGAL NOTICE**  
 NOTICE OF  
 PUBLICATION  
 STATE OF  
 NEW MEXICO  
 OIL, MINERALS  
 AND NATURAL  
 RESOURCES  
 DEPARTMENT  
 OIL CONSERVATION  
 DIVISION

If no public hearing is  
 held, the Director will  
 approve or disapprove the  
 proposed plan based on  
 information available. If a  
 public hearing is held, the  
 Director will approve or  
 disapprove the proposed  
 plan based on the infor-  
 mation in the plan and  
 information submitted at  
 the hearing.

is hereby given  
 pursuant to New  
 Mexico Water Quality  
 Commission  
 rules, the following  
 plan application  
 submitted to the  
 of the Oil  
 Conservation Division,

GIVEN under the Seal of  
 New Mexico Oil  
 Conservation  
 Commission at Santa Fe,  
 New Mexico, on this 16th  
 day of September, 1999.

STATE OF  
 NEW MEXICO  
 OIL  
 CONSERVATION  
 DIVISION  
 LORI WROTENBERY,  
 Director  
 SEAL

Published in the  
 Lovington Daily Leader  
 September 22, 1999.

# Affidavit of Publication

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled:  
Notice of Publication BW-08

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for One (1) Day, beginning with the issue of September 22, 1999 and ending with the issue of September 22, 1999.

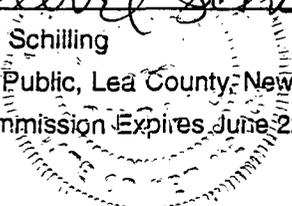
And that the cost of publishing said notice is the sum of \$ 52.80 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this day of  
September 22, 1999.

Debbie Schilling

Debbie Schilling  
Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2002



**LEGAL NOTICE  
NOTICE OF  
PUBLICATION  
STATE OF  
NEW MEXICO  
ENERGY, MINERALS  
AND NATURAL  
RESOURCES  
DEPARTMENT  
OIL CONSERVATION  
DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

plan for the Arkansas Junction Brine Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 90 gallons per minute of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 75 feet with a total dissolved solids concentration of 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 16th day of September, 1999.

STATE OF  
NEW MEXICO  
OIL  
CONSERVATION  
DIVISION  
LORNWROTENBERY,  
Director

SEAL

(BW-08) - Salty Dog Inc., Pieter Bergstein, President, P.O. Box 2724, Lubbock, Texas 79408 has submitted an application for the renewal of a discharge

Published in the Lovington Daily Leader September 22, 1999.

plan for the Arkansas Junction Brine Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 90 gallons per minute of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 75 feet with a total dissolved solids concentration of 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 16th day of September, 1999.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION LORI WROTENBERY, Director

SEAL Published in the Lovington Daily Leader September 22, 1999.

# Affidavit of Publication

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF LEA :

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled:  
Notice of Publication BW-08

was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, for One (1) Day, beginning with the issue of September 22, 1999 and ending with the issue of September 22, 1999.

And that the cost of publishing said notice is the sum of \$ 52.80 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this day of  
September 22, 1999.

Debbie Schilling

Debbie Schilling  
Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2002

LEGAL NOTICE  
NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(BW-08) - Salty Dog Inc., Pletzer Bergstein, President, P.O. Box 2724, Lubbock, Texas 79408 has submitted an application for the renewal of a discharge

# Affidavit of Publication

STATE OF NEW MEXICO )

) CO.

COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled:

Notice of Publication BW-012 & BW-027

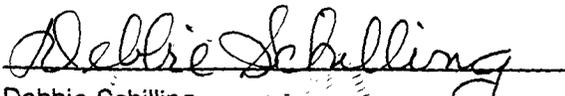
was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for One (1) Day, beginning with the issue of September 29, 1999 and ending with the issue of September 29, 1999.

And that the cost of publishing said notice is the sum of \$ 82.28 which sum has been (Paid) as

Court Costs.



Subscribed and sworn to before me this day of September 29, 1999.



Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2002

LEGAL NOTICE  
NOTICE OF  
PUBLICATION  
STATE OF  
NEW MEXICO  
ENERGY, MINERALS  
AND NATURAL  
RESOURCES DEPARTMENT  
OIL CONSERVATION  
DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(BW-02) - P&S Brine Sales, Paul Prather, P.O. Box 7169, Eunice, New Mexico 88231, has sub-

mitted an application for the renewal of a discharge plan for the P&S Brine Sales Station, located in the SW/4 SE/4 of Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. An average of 250 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 45 feet with a total dissolved solids concentration of approximately 1400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-012) - Scurlock Permian Corporation, James C. Ephraim II, Senior Project Engineer, P.O. Box 4648, Houston, Texas, 77210-4648, has submitted an applica-

tion for the renewal of a discharge plan for the SPC Saline NO. 1 Brine Station, located in the SW/4 SW/4 of Section 36, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico. Up to 400 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 40 feet with a total dissolved solids concentration of approximately 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-027) - Scurlock Permian Corporation, James C. Ephraim II,

Senior Project Engineer, P.O. Box 4648, Houston, Texas, 77210-4648, has submitted an application for the renewal of a discharge plan for the Carlisle Brine Station, located in the SE/4 NW/4 of Section 23, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. An average of 4000 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth from approximately 50 to 200 feet with a total dissolved solids concentration of approximately 4000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public

interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 22th day of September, 1999.

STATE OF  
NEW MEXICO  
OIL CONSERVATION  
DIVISION  
LORI WROTENBERY,  
Director

SEAL  
Published in the Lovington  
Daily Leader September  
29, 1999.

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**The Lovington Daily LEADER**  
The Oldest Newspaper in Lea County... Serving Since 1899

DRAWER 1717 LOVINGTON, NM 88260

Statement of Account For

NM Energy, Minerals, &  
 Natural Resources Dept.  
 Oil Conservation Division  
 2040 So. Pacheco St.  
 Santa Fe, NM 87505

Month of October 1999

DISPLAY ADVERTISING:

\_\_\_\_\_ inches @ \_\_\_\_\_

CLASSIFIED ADVERTISING:

\_\_\_\_\_ words @ \_\_\_\_\_  
 \_\_\_\_\_ inches @ OCT 12 1999

OTHER CHARGES:

Legal Notice  
 Notice of Publication  
 BW-012 & BW-027  
 Ad Ran September 29, 1999.

*Approved by W. Prather - OGD  
 10/18/99 AP*

Total.....	82	28
Tax.....		
Total this month.....	82	28
Previous Balance.....		
PLEASE PAY THIS AMOUNT.....		

Debbie Schilling  
 Notary Public, Lea County, New Mexico  
 My Commission Expires June 22, 2002

827-7131:

(BW-02) P&S Brine Sales, Paul Prather, P.O. Box 7169, Eunice, New Mexico 88231, has sub-

mitted an application for the renewal of a discharge plan for the P&S B Sales Station, located the SW/4 SE/4 of Sec 34, Township 21 South, Range 37 East, NMPM Lea County, New Mexico. An average of 250 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 45 feet with a total dissolved solids concentration of approximately 140 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-012) Scurlock Permian Corporation, James C. Ephraim II, Senior Project Engineer, P.O. Box 4648, Houston, Texas, 77210-4648, has submitted an application for the renewal of a discharge plan for the SPC Saline NO. 1 Brine Station, located in the SW/4 SW/4 of Section 36, Township 18 South, Range 37 East, NMPM Lea County, New Mexico. Up to 400 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 40 feet with a total dissolved solids concentration of approximately 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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(BW-027) - Scurlock Permian Corporation, James C. Ephraim II,

**NEWS!**

**DIFFERS WHILE SUPPLIES LAST FIVE SEPT. 29 TO OCT.**

**SAVORS S OR TOS \$2.19**

Any interested person may obtain further information from the Oil Conservation Division or may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m. Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Request for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public

# Affidavit of Publication

STATE OF NEW MEXICO )  
) ss.  
COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled:  
Notice of Publication BW-012 & BW-027

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for One(1) Day, beginning with the issue of September 29, 1999 and ending with the issue of September 29, 1999.

And that the cost of publishing said notice is the sum of \$ 82.28 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this day of September 29, 1999.

Debbie Schilling

Debbie Schilling  
Notary Public, Lea County, New Mexico  
My Commission Expires June 22, 2002

mitted an application for the renewal of a discharge plan for the P&S Brine Sales Station, located at the SW/4 SE/4 of Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. An average of 250 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 45 feet with a total dissolved solids concentration of approximately 140 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-012) - Scurlock Permian Corporation, James C. Ephraim, Senior Project Engineer, P.O. Box 4648, Houston, Texas, 77210-4648, has submitted an application for the renewal of a discharge plan for the SPC Saline NO. 1 Brine Station, located in the SW/4 SW/4 of Section 36, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico. Up to 400 barrels per day of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 40 feet with a total dissolved solids concentration of approximately 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

LEGAL NOTICE  
NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan applications have been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(BW-02) - P&S Brine Sales, Paul Prather, P.O. Box 7169, Eunice, New Mexico 88231, has sub-

(BW-027) - Scurlock Permian Corporation, James C. Ephraim II,

**LOVINGTON and**

**NEWS!**

**OFFERS WHILE SUPPLIES LAST**

**FIVE SEPT. 29 TO OCT.**

**SAVORS**

**S OR**

**ETOS**

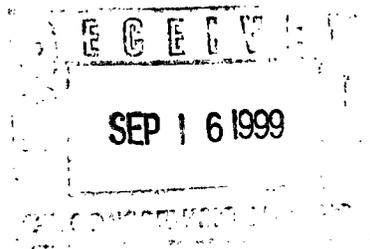
**\$2.19**

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public

P.O. Box 2724  
Lubbock, TX 79408  
Ph: (806) 741-1080  
Fax: (806) 741-1301

**PAB**  
SERVICES INC.

September 13, 1999



Wayne Price Ped Engineer Spec  
New Mexico Energy, Minerals  
And Natural Resources Dept.  
2040 S Pacheco  
Santa Fe, NM 87505

Re: Salty Dog Brine Station  
Section 5 Township 19S Range 36E

Dear Mr. Price,

Please except this letter of request to waive your requirement of a sonar log to determine cavity configuration.

We request to offer you a alternate method of calculation by adding up past years barrels produced and divide them by 7 giving the cubic feet of mined salt.

We have visited will Mr. Al Hickerson concerning sonar logs which he explained the complexity.

Over the years Layers of Anhydride have shifted and closed the original open hole leaving only a tubing size hole.

The sonar log tool is 4 ½ Inc. which we would have to redrill true each layer of Anhydride view each section shoot off drill collars each time and trip like that until bottom he estimates a expense of about \$50,000.00.

According to Mr. Hickerson this complex and costly procedure will not always guarantee proper results due to cave in and shifting of Anhydride there are pockets of air difficult to count for.

Hope you will accept our alternative method of calculation due to our favorable well location.

Sincerely,



Pieter Bergstein

P.O. Box 2724  
Lubbock, TX 79408

**PAB**  
SERVICES INC.

FIRST CLASS

000

LUBBOCK TX 79408  
\$0.330 \$0.330 \$0.330  
\$0.330 / METER  
SEP 15 99 380685\*

Wayne Price Ped Engineer Spec  
New Mexico Energy, Minerals  
and Natural Resources Dept  
2040 S Pacheco  
Santa Fe, NM 87505

87305X3472 37





NOTICE OF PUBLICATION

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

**(BW-08) - Salty Dog Inc., Pieter Bergstein, President, P.O. Box 2724, Lubbock, Texas 79408 has submitted an application for the renewal of a discharge plan for the Arkansas Junction Brine Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 90 gallons per minute of brine water with a TDS of approximately 300,000 mg/l is produced for use in the oil industry. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 75 feet with a total dissolved solids concentration of 400 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.**

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 16th day of September, 1999.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY, Director

S E A L



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

September 15, 1999

**CERTIFIED MAIL**

**RETURN RECEIPT NO. Z 274 520 503**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008 Renewal Application

Dear Mr. Bergstein:

The groundwater discharge plan BW-008 renewal application for the Salty Dog, Inc. Water Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico is incomplete in the following areas:

1. The application and cover letter are not signed. Please sign and send originals.
2. Salty Dog only sent one copy. Please send two complete copies to the Santa Fe office and one to the district office.

In order for the New Mexico Oil Conservation to proceed please provide the above information. If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

RECEIVED  
SEP 15 1999  
Environmental Bureau  
Oil Conservation Division

SALTY DOG

Discharge Plan Application for  
Brine Extraction Facilities



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 10, 1999

Wayne Price Set 7155

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 120**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008

RECEIVED  
SEP 15 1999  
Environmental Bureau  
Oil Conservation Division

Dear Mr. Bergstein:

The groundwater discharge plan BW-008 for the Salty Dog, Inc. Water Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico expired on April 18, 1999. Salty Dog Inc. is hereby ordered to cease operations until they have obtained an approved discharge plan pursuant to section 3-109.A. of the Water Quality Control Commission Regulations. The NMOCD will require the following information if Salty Dog Inc. wishes to renew its operations.

1. Submit a discharge plan application pursuant to section 3-106 of the Water Quality Control Commissions Regulations along with a \$50.00 filing fee. NMOCD has enclosed a blank form and a copy of the guidelines for your use.
2. Submit a completed Form C-103 for NMOCD approval to investigate the mechanical integrity of the well and a plan to determine cavity configuration.
3. Submit all past quarterly reports.
4. The NMOCD Environmental Bureau records in Santa Fe, NM indicate the last mechanical integrity test was performed on October 11, 1995. Please provide all records pertaining to this well, i.e. testing, work-over, releases, etc.

If Salty Dog, Inc does not wish to continue operations then please submit a closure plan for NMOCD approval by September 15, 1999.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7152).

Sincerely Yours,

Roger C. Anderson  
Environmental Bureau

cc: OCD Hobbs District

P.O. Box 2724  
Lubbock, TX 79408  
Ph: (806) 741-1080  
Fax: (806) 741-1301

**PAB**  
SERVICES INC.

September 13, 1999

Wayne Price Ped Engineer Spec  
New Mexico Energy, Minerals  
And Natural Resources Dept.  
2040 S Pacheco  
Santa Fe, NM 87505

RECEIVED  
SEP 15 1999  
Environmental Bureau  
Oil Conservation Division

Re: Salty Dog Brine Station  
Section 5 Township 19S Range 36E

Dear Mr. Price,

Please except this letter of request to waive your requirement of a sonar log to determine cavity configuration.

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The sonar log tool is 4 ½ Inc. which we would have to redrill true each layer of Anhydryde view each section shoot off drill collars each time and trip like that until bottom he estimates a expense of about \$50,000.00.

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Hope you will accept our alternative method of calculation due to our favorable well location.

Sincerely,

Pieter Bergstein

RECEIVED

SEP 15 1999

Environmental Bureau  
Oil Conservation Division

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

*DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES*  
*(Refer to OCD Guidelines for assistance in completing the application.)*

NEW       RENEWAL

- I. FACILITY NAME: Salty Dog Brine Station
- II. OPERATOR: Salty Dog, Inc.  
ADDRESS: PO Box 2724 Lubbock, TX 79408  
CONTACT PERSON: Pieter Bergstein PHONE: 741-1080
- III. LOCATION:    /4    /4 Section 5 Township 19 Range 36 East  
*Submit large scale topographic map showing exact location.*
- IV. Attach the name and address of the landowner of the facility site.  
Salty Dog, Inc. PO Box 2724 Lubbock, TX 79408
- V. Attach a description of the types and quantities of fluids at the facility.  
Brine water & Fresh water
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.  
Fresh Water-2 - 750 bbl. capacity welded tanks, brine-5,000 bbl. lined
- VII. Attach a description of underground facilities (i.e. brine extraction well). earth pit.
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.  
See attached for description of underground facilities
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.  
See attached
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Pieter A. Bergstein Title: President

Signature: \_\_\_\_\_ Date: 9/1/99

# WELL BORE SKETCH

OPERATOR/LEASE/WELL P.A.B. Services-

DATE \_\_\_\_\_

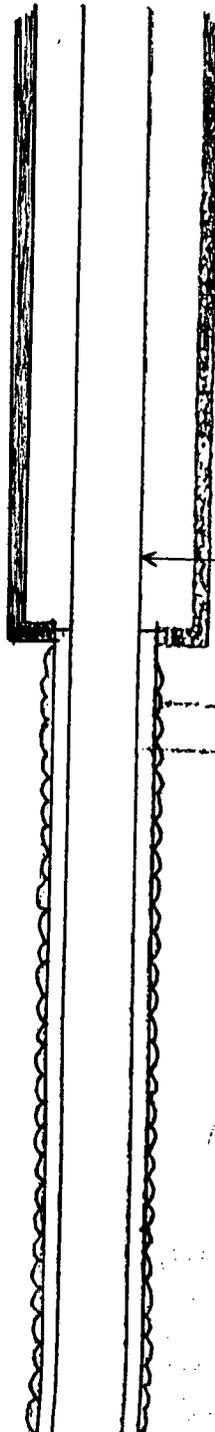
Salty Dog Brine Supply Well #1

FIELD/POOL \_\_\_\_\_

PLUG BACK DEPTH 2950'

KB 3816 est.

ELEVATION 3806'



Hole Size 12 1/4"

### SURFACES CASING:

Size 8 5/8" Weight 24 lb Grade J-55  
 Set at 1877' with 850 Sacks Cement  
 Circulate 200 Sacks to Surface  
 Remarks: \_\_\_\_\_

### Liner Casing

Size 5 1/2" Weight \_\_\_\_\_ Grade \_\_\_\_\_  
 Set at 1828'  
 Circulate \_\_\_\_\_  
 Hole Size 6 1/4"

### PRODUCTION CASING: \*

Size \_\_\_\_\_ Weight \_\_\_\_\_ Grade \_\_\_\_\_  
 Set at \_\_\_\_\_ with \_\_\_\_\_ Sacks Cement  
 Cement Top: Calculated \_\_\_\_\_ Temperature Survey \_\_\_\_\_  
 \* Remarks: No production casing was run in this well.  
Completed open hole from 1877' to 2950' as a brine  
source well.

### TUBING:

Size 2 7/8 Weight 6.5 lb Grade J-55  
 Number of Joints \_\_\_\_\_ Set at \_\_\_\_\_  
 Packer Set at None  
 Bottom Arrangement: \_\_\_\_\_

### RODS:

Size N/A Number \_\_\_\_\_  
 Gas Anchor Set at \_\_\_\_\_  
 Pump Set at \_\_\_\_\_  
 Arrangement: \_\_\_\_\_

VIII. Contingency plan for reporting and clean-up of spills

In the event of a line leak from Brine Well to Lined Brine Water Pit:

- 1<sup>st</sup> - Shut in Well
- 2<sup>nd</sup> - Contain Mess
- 3<sup>rd</sup> - Report Leak to NMOCD
- 4<sup>th</sup> - Clean up Mess
- 5<sup>th</sup> - Report to NMOCD

In the event of a leak at well head:

We have a pressures shut off switch that will shut off the well automatically with a rise or fall in pressure. We have a containment dyke 2 feet high to contain the fluids.

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly drilled or reworked well. It shall be accompanied by one copy of all electrical and radioactivity logs run on the well and a summary of all special tests run on the well, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items M through O shall be reported for each zone. The form is to be filed in triplicate except in state land, where only copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

Table with two columns: Southeastern New Mexico and Northwestern New Mexico. Each column lists geological formations with corresponding 'T' markers for tops. Southeastern formations include Canyon, Suson, Apska, Misa, Diversion, Situnra, Montosa, Simpson, McKee, Ellenburger, Gr. Wash, Granite, Delaware Sand, Bone Springs, etc. Northwestern formations include Cija Alamo, Koffland-Fruitland, Highest Cliffs, Cliff House, Monzie, Point Llanero, Mmesa, Gallup, Base Chertona, Dakota, Morrison, Todillo, Entablado, Wingo, Chino, Pennion, Penn. "A", etc.

OIL OR GAS SANDS OR ZONES

Form for recording oil or gas sands or zones. It consists of two columns: 'No. 1, from ... to ...' and 'No. 2, from ... to ...'. Below these are sections for 'No. 3, from ... to ...' and 'No. 4, from ... to ...'.

IMPORTANT WATER SANDS

Include date on zone of water inflow and elevation to which water rose in hole.

Form for recording important water sands. It consists of four rows, each starting with 'No. 1, from ... to ... feet', 'No. 2, from ... to ... feet', 'No. 3, from ... to ... feet', and 'No. 4, from ... to ... feet'.

FORMATION RECORD (Attach additional sheets if necessary)

Table for recording formation data. The table has columns for 'From' and 'To' (depths), 'Thickness in Feet', and 'Formation'. There are two main sections for recording data. A 'RECEIVED' stamp is visible in the bottom left corner, dated 'MAR 10 1980'.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-1  
Superseded  
Effective

All distances shall be from the outer boundaries of the Section

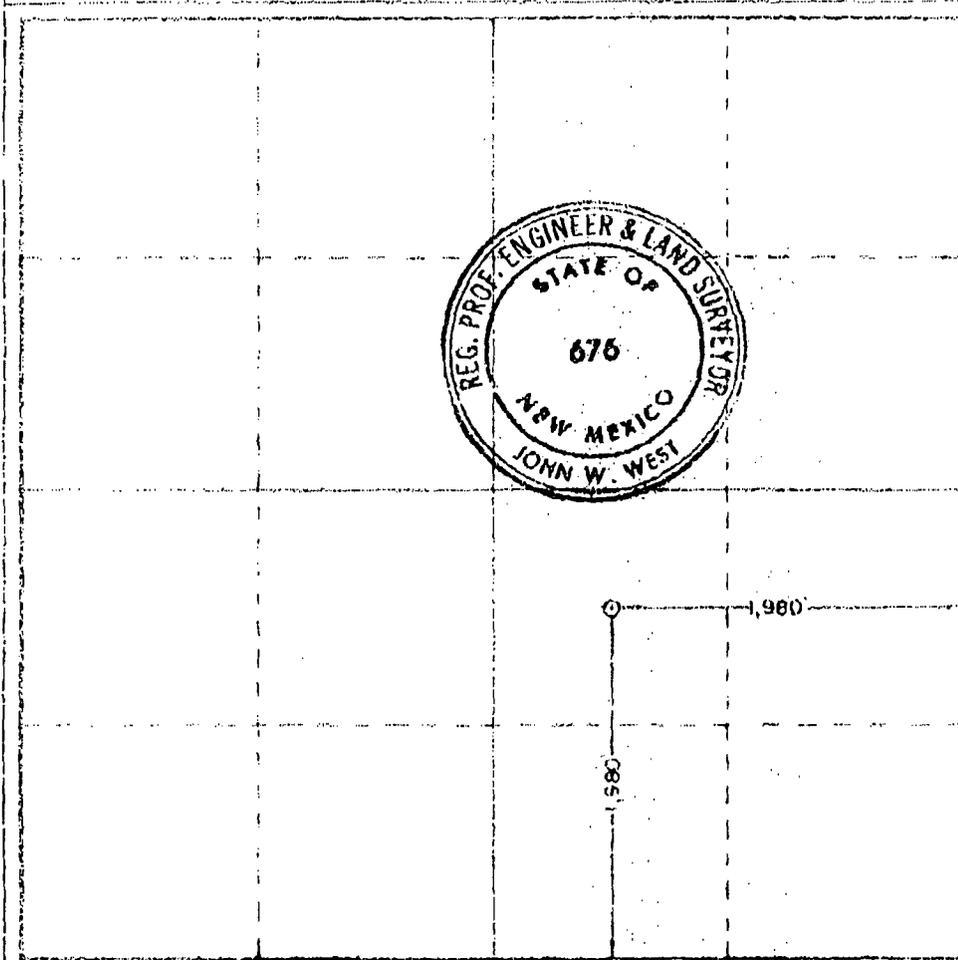
Operator <b>BRUNSON &amp; MC KNIGHT, INC.</b>		Lease <b>Brine</b>		Well No. <b>1</b>
Map Letter <b>J</b>	Section <b>5</b>	Township <b>19 South</b>	Range <b>36 East</b>	County <b>Lea</b>
Acres of the lease for which well is				
<b>1980</b>	from from the	<b>South</b>	line and	<b>1980</b>
				East
Ground level in feet <b>3806.0'</b>	Producing Formation		Depth	Drilled Acreage

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to well interest and royalty)
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information furnished herein is true and complete to the best of my knowledge and belief.

*John W. West*  
 President  
*Brunson & Mc Knight*  
 Company  
 4-27-79

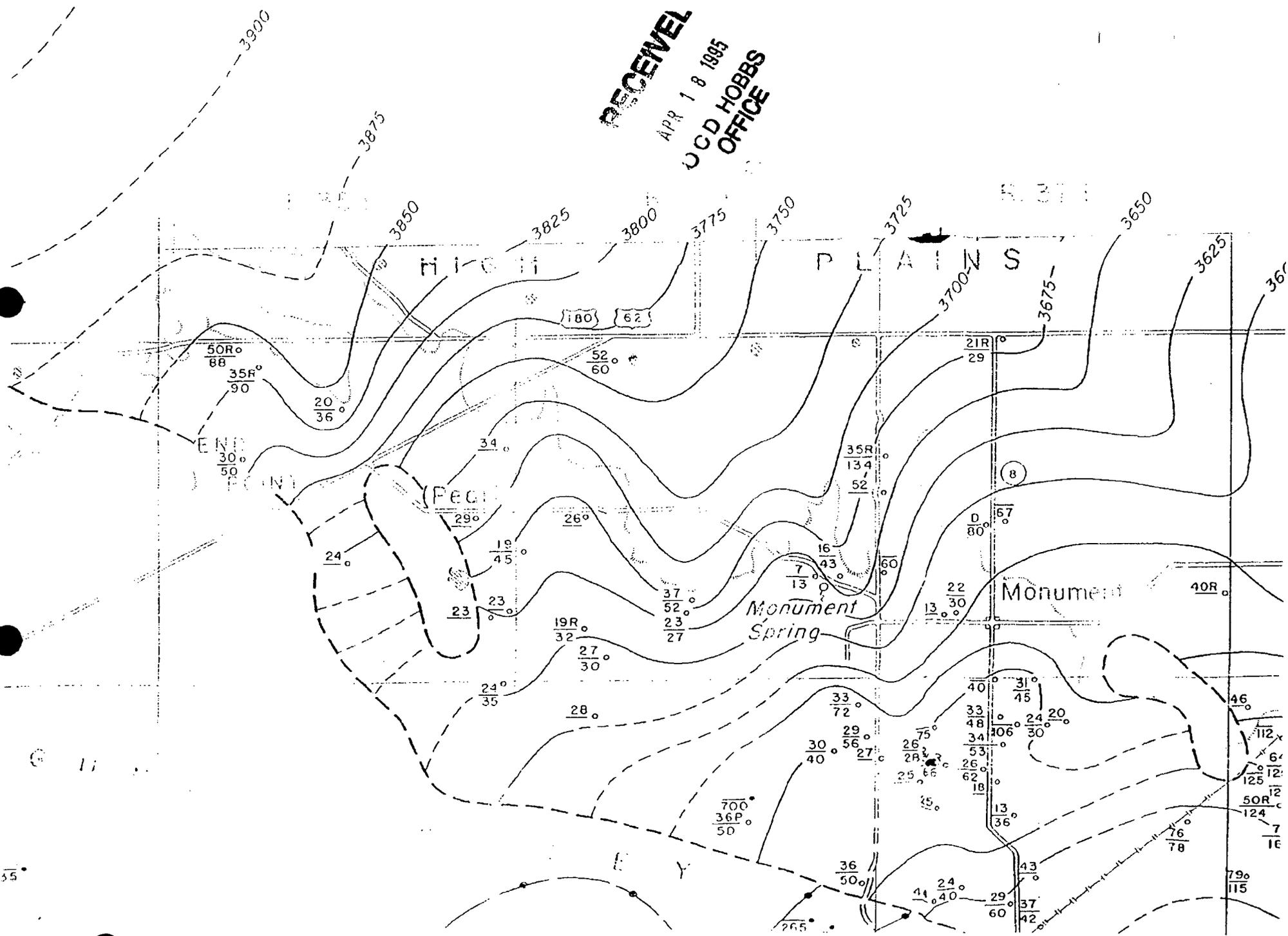
I hereby certify that the well location shown on this plat was plotted from the notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date dictated  
**April 26, 1979**

Registered Professional Engineer and/or Land Surveyor

*John W. West*  
 Certified Public Accountant

RECEIVED  
APR 18 1995  
UCD HOBBS  
OFFICE



RECEIVED

SEP 10 1995

UCD HOBBS  
OFFICE

### EXPLANATION

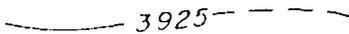
$\frac{150}{252}$

Water well

*Upper figure is depth to water; lower figure is depth of well. Open circles are wells finished in Tertiary or Quaternary rocks; solid circles are wells finished in Triassic rocks*

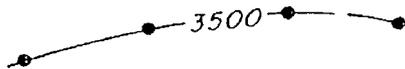
- F = Flowing
- R = Reported
- P = Water level measured while pumping
- D = Dry
- ? = Uncertainty as to aquifer
- > = More than
- < = Less than

(See tables 6 and 7 for detailed well data.)



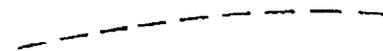
Water-table contour in Tertiary or Quaternary rocks

*Dashed where inferred or uncertain. Contour interval 25 feet. Datum mean sea level*



Water-table or piezometric contour on water body in Triassic aquifers

*Dashed where inferred or uncertain. Contour interval 100 feet. Datum mean sea level*



Approximate position of boundary between Triassic rocks and saturated Tertiary and Quaternary rocks

# 7

Sep 08 99 07:39a

Terry Wallace

505-393-1533

p.10

mean sea level

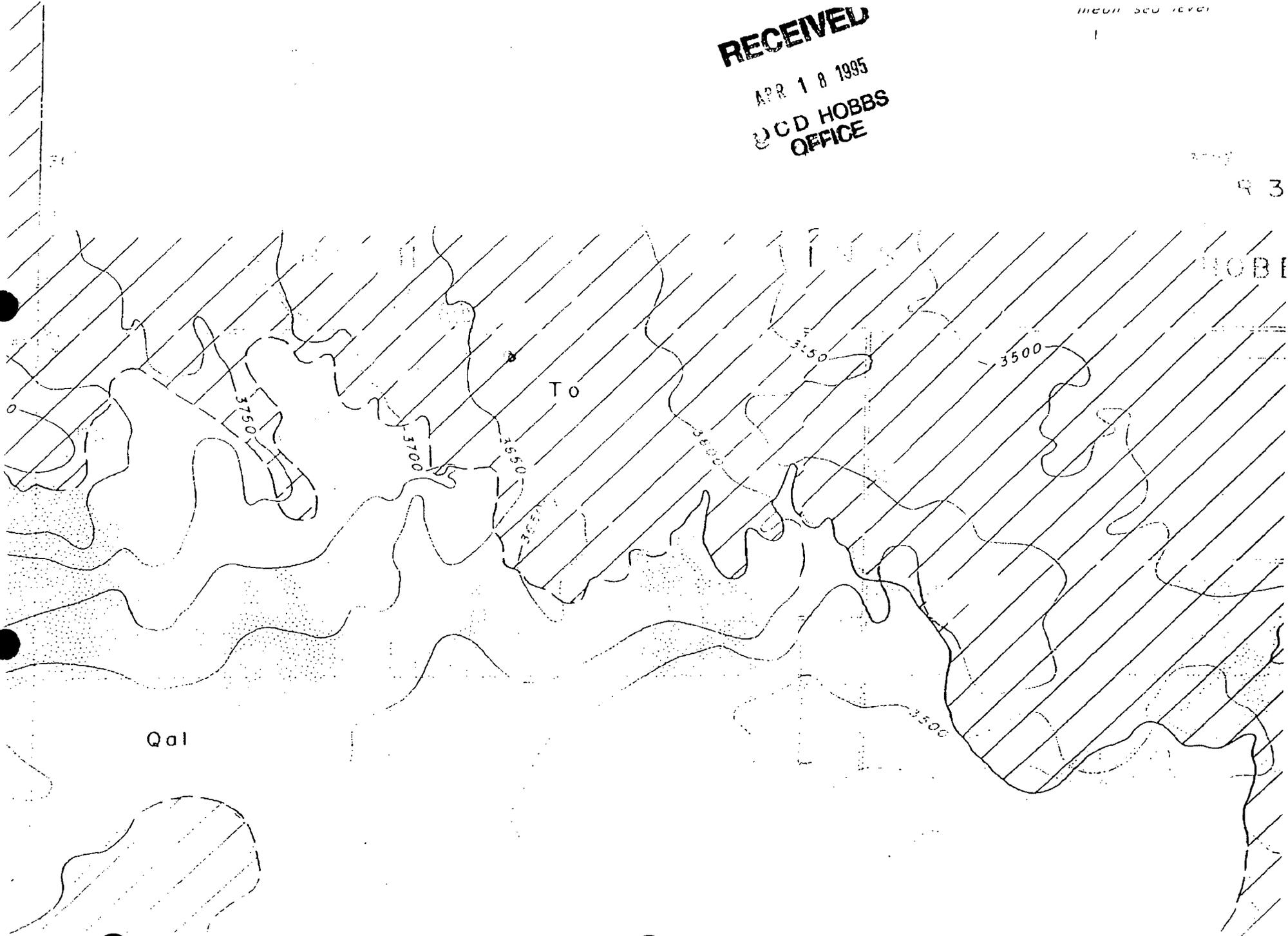
RECEIVED

APR 18 1995

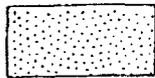
CD HOBBS  
OFFICE

93

NOBI

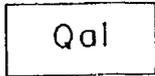


TRIASSIC QUATERNARY



Sand

*Thin cover of drift sand in most places; locally dunes 20-40 feet high*



Alluvium

*Sand and gravel along dry washes; silt and sand in lake beds; includes some wind-deposited sand around depressions*



Ogallala formation

*Chiefly sand, poorly to well-cemented with calcium carbonate; contains some clay, silt, and gravel; capped in most places by caliche*

QUATERNARY

TERTIARY

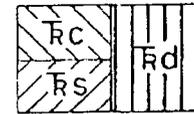
EXPLANATION

Upper Triassic



Cretaceous rocks, undifferentiated

*Slumped blocks of buff, tan, or white fossiliferous limestone*



Dockum group

*Rc-Chinle formation, red and green claystone, minor siltstone, and fine-grained sandstone; Rs-Santa Rosa sandstone, red to white poorly sorted, coarse-grained, crossbedded sandstone; Rd-rocks of the Dockum group, undifferentiated*

CRETACEOUS

TRIASSIC

Contours on the red-bed surface

*Dashed where approximate or inferred.*

*Contour interval 50 feet. Datum mean sea level*

# 7

C-103

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

# OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
P.O. Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

1. Type of Well:  
OIL WELL  GAS WELL  OTHER Brine Water

8. Well No.  
Brine Well Supply #1

2. Name of Operator  
Salty Dog Inc.

3. Address of Operator  
P.O. Box 513

9. Pool name or Wildcat

4. Well Location  
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 5 Township 19S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
3806.0 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK   
TEMPORARILY ABANDON   
PLUG OR ALTER CASING   
OTHER:

PLUG AND ABANDON   
CHANGE PLANS

### SUBSEQUENT REPORT OF:

REMEDIAL WORK   
COMMENCE DRILLING OPNS.   
CASING TEST AND CEMENT JOB   
OTHER:

ALTERING CASING   
PLUG AND ABANDONMENT

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

8/4/99 1. Rig up Pulling Unit  
2. Install B.O.P. - Tally Tubing Out of Hole  
3. Run Scraper to Bottom of Surface Casing at 1877' and P.O.H.  
4. Tally Pipe in hole with Packer and set at 1870'  
5. Test Casing to 500 psi and run chart for state  
8/5/99 6. P.O.H. with Packer and install 6 1/4" Bit; Tally in hole drill down to 2887' with Reverse Unit.  
8/8/99 7. Rig Down Pulling Unit - Operations Complete

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Terry Wallace TITLE Manager DATE 8-4-99  
TYPE OR PRINT NAME Terry Wallace TELEPHONE NO. 505-393-8352

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION  
2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
--------------------------------------

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Brine well</u>
---

8. Well No. <u>Brine Supply #1</u>
------------------------------------

2. Name of Operator <u>Salty Dog, Inc.</u>
--

9. Pool name or Wildcat
-------------------------

3. Address of Operator <u>P.O. Box 513 Hobbs NM 88240</u>
---

4. Well Location Unit Letter <u>J</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>5</u> Township <u>19S</u> Range <u>36E</u> NMPM <u>Loca</u> County
--

10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3806. GR</u>
---

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>
OR ALTER CASING <input type="checkbox"/>
OTHER: <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>
OTHER: <input type="checkbox"/>
SUBSEQUENT REPORT OF:
REMEDIAL WORK <input checked="" type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>
ALTERING CASING <input type="checkbox"/>
PLUG AND ABANDONMENT <input type="checkbox"/>
OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

4-99 Rig up B.O.F. Pulling UNIT STRAP OUT OF HOLE, RUN 7 5/8 BIT & SCRAPER IN HOLE TO 1875 FEET P.O.H.

8-8-99 - Trip IN HOLE WITH PACKER ISOLATE HOLE @ 60' P.O.H.

8-9-99 - T.I.H WITH RETRIEVABLE BRIDGE PLUG SET @ 90' ..

8-10-99 - Rig up B.J AND DO SQUEEZE JOB WITH 75 SACKS CLASS "C" CEMENT

8-11-99 - Rig up DAVIS TOOL REVERSE UNIT & DRILL OUT CEMENT PRESSURE UP DID NOT HOLD

8-12-99 - Rig up B.J. AND DO SQUEEZE JOB WITH 75 SACKS C + 2% CAOL2

8-13-99 - DRILL OUT CEMENT DID NOT HOLD

8-14-99 - Rig up B.J. AND DO SQUEEZE JOB WITH 75 SACKS C + 2% CAOL2

8-16-99 - DRILL OUT CEMENT PRESSURE UP SEE PAGE 15 MIN HOLD PRESSURE, PULL R.B.P & T.I.H WITH PACKER TO 1850 FEET SET PACKER & TRY TO PRESSURE UP ON 8 5/8 WOULD NOT PRESSURE UP. ISOLATED ANOTHER HOLE @ APPROX 250' P.O.H.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Walter Brisco TITLE Asst. Manager DATE 9-8-99

TYPE OR PRINT NAME WALTER BRISCO TELEPHONE NO. 393-8352

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

8-18-99 - Run 5 1/2 J-55 15.50 CSg SET @ 1,828.88 T.D.

8-19-99 - Rig up B.J. Services & Cement CSg with 275 sacks  
Class "C" Cement 2% CACL<sub>2</sub>. Did NOT Circ To Surface.

8-20-99 - Rig up Production Testing Services & Run Temperature  
Survey, Top of Cement @ 1,290'

8-23-99 - Rig up Black WARRIOR Wireline and perforate @ 1,280'

Rig up B.J. Services & Cement with CLASS C + 2% CACL<sub>2</sub>  
Cement. Circ 10 BIBLES TO SURFACE.

8-24-99 - Drill out cement. Run M.I.T 300 P.S.I 15 min

Held OK. T.O.H. Lay Down collars & Bit T.I.H with

2 7/8 J-55 6.5 wt Tubing open ended with Notched collar,  
SET @ 2,534.84 T.D. INSTALL Tubing Head & Rig Down.

Quarterly Rep

## Salty Dog Quality Barrell Productions

1 <sup>st</sup> qtr	1996	53,963
2 <sup>nd</sup> qtr	1996	17,050
3 <sup>rd</sup> qtr	1996	34,410
4 <sup>th</sup> qtr	1996	42,847

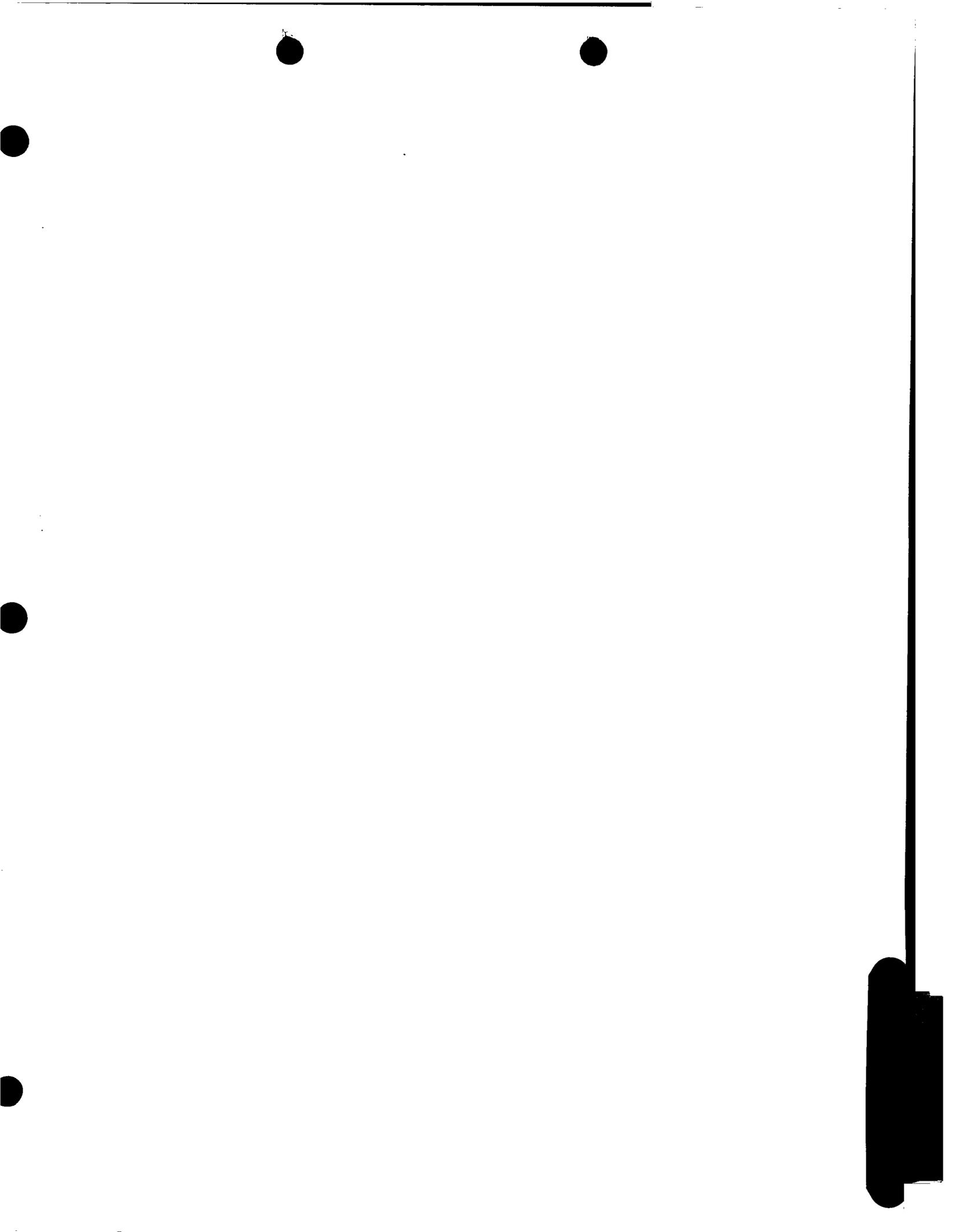
1 <sup>st</sup> qtr	1997	60,554
2 <sup>nd</sup> qtr	1997	18,243
3 <sup>rd</sup> qtr	1997	26,425
4 <sup>th</sup> qtr	1997	49,650

1 <sup>st</sup> qtr	1998	12,256
2 <sup>nd</sup> qtr	1998	11,455
3 <sup>rd</sup> qtr	1998	15,873
4 <sup>th</sup> qtr	1998	4,079

1 <sup>st</sup> qtr	1999	8,457
2 <sup>nd</sup> qtr	1999	24,239
3 <sup>rd</sup> qtr	1999	

Past Work-Over & Test





District I - (505) 393-6161  
 P. O. Box 1980  
 Hobbs, NM 88241-1980  
 District II - (505) 748-1283  
 811 South First  
 Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Road  
 Aztec, NM 87410  
 District IV - (505) 827-7131

State of New Mexico  
 Energy Minerals and Natural Resources Department  
 Oil Conservation Division  
 2040 South Pacheco Street  
 Santa Fe, New Mexico 87505  
 (505) 827-7131

Form C-141  
 Originated 2/13/97

Submit 2 copies to  
 Appropriate District  
 Office in accordance  
 with Rule 116 on  
 back side of form

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name <i>Salty Dog, Inc.</i>	Contact <i>Terry Wallace</i>
Address <i>P.O. Box 2724 Lubbock TX 79408</i>	Telephone No. <i>505-393-8352</i>
Facility Name <i>Salty Dog</i>	Facility Type <i>Brine Water station</i>

Surface Owner <i>Peter Bergstein</i>	Mineral Owner <i>Squires</i>	Lease No. <i>Brine 1</i>
---	---------------------------------	-----------------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>J</i>	<i>5</i>	<i>195</i>	<i>36E</i>	<i>1980</i>	<i>South</i>	<i>1980</i>	<i>East</i>	<i>Lea</i>

NATURE OF RELEASE

Type of Release <i>Brine Water</i>	Volume of Release	Volume Recovered <i>N/A</i>
Source of Release <i>Hole in Casing</i>	Date and Hour of Occurrence <i>July 29 1999</i>	Date and Hour of Discovery
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Gary Wink OGD</i>	
By Whom? <i>Snyder Ranches</i>	Date and Hour <i>July 30 1999</i>	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully. (Attach Additional Sheets If Necessary)  
*Snyder Ranches has a Fresh water well approximately 150 yards From Brine Well. A Representative informed Mr. Wink that water was salty. Test were done to determine salt in Fresh water.*

Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)  
*Well was shut in. Pulling Unit set up. Packer was set to determine where hole was. Squeeze job. Fix hole. Ran 5 1/2 casing and cemented to surface*

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)  
*A New Fresh Water well was drilled 150 yds N.E. of Existing water well. Water is O.K.*

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

Signature <i>Terry Wallace</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <i>Terry Wallace</i>	Approved by District Supervisor:	Expiration Date:
Title: <i>Manager</i>	Approval Date:	Conditions of Approval:
Date: <i>9-8-99</i>	Phone: <i>505-393-8352</i>	Attached <input type="checkbox"/>



Misc





**ARDINAL  
LABORATORIES**

PHONE (915) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR  
OIL CONSERVATION DIV.  
ATTN: GARY W. WINK  
1525 FRENCH DR.  
HOBBS, NM 88240  
FAX TO: (505) 393-0720**

Receiving Date: 08/13/99  
Reporting Date: 08/14/99  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 08/14/99  
Sampling Date: 08/13/99  
Sample Type: WATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	CF (mg/L)
H4283-1	SALTY DOG BRINE STATION	5877
Quality Control		966
True Value QC		1000
% Recovery		96.6
Relative Percent Difference		5.2
METHOD: Standard Methods		4500-CFB

*Burgess A. Rode*  
Chemist

8/14/99  
Date

H4283.XLS

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



**ARDINAL  
LABORATORIES**

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79803

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR  
OCD-STATE OF NEW MEXICO  
ATTN: D WILLIAMS  
1625 N. FRENCH  
HOBBS, NM 88240  
FAX TO:**

Receiving Date: 08/02/99  
Reporting Date: 08/02/99  
Project Number: NOT GIVEN  
Project Name: LARRY SQUIRES  
Project Location: NOT GIVEN

Analysis Date: 08/02/99  
Sampling Date: 08/02/99  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H4259-1	0802991400	5378
Quality Control		1016
True Value QC		1000
% Recovery		102
Relative Percent Difference		3.9
METHOD: Standard Methods		4500-ClB

*Lance A. Cooky*  
Chemist

8/2/99  
Date

H4259.XLS

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



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

September 11, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 158**

**Mr. Piter Bergstein**  
**Salty Dog Inc.**  
**P.O. Box 2724**  
**Lubbock, Texas 79408**

Re: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Piter Bergstein:

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity test:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.
2. Annually perform an open hole cavern formation pressure test by pressuring up the formation one and one-half times the normal operating pressure (not to exceed formation fracture pressure) or 300 psig whichever is greater for four hours. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

**Please find enclosed an OCD Brine Well Test Schedule and Test Procedure for this Fall October 25, 1999 through November 2, 1999. Please have your well ready for testing on the date and time you are schedule.** Operators will be responsible for providing equipment and shall bear all costs incurred. All test must be witnessed by the New Mexico Oil Conservation Division.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

cc: OCD District Offices  
attachments- OCD Brine Well Test Schedule & Brine Well Testing Procedure Guidance Document

Company	DP#	Facility Name	Date of Test	Start	Stop	Type of Test(s) Required
P&S Brine	** BW-002	Eunice Eunice Water St.	October 25 1999	8 am	12 noon	Isolate cavern & pressure test casing + Cavern survey***
Sirms-McCasland	** BW-009A	Eunice Brine Station	October 25 1999	9:30 am	1:30 pm	Isolate cavern & pressure test casing + Cavern survey***
Goldstar	BW-028	Eunice Brine Station	October 25 1999	11 am	3 pm	Pressure test cavern
Key Energy	** BW-018	Rowland Truckers #2	October 26 1999	8 am	12 noon	Pressure test cavern + Cavern survey***
Scurlock-Permian	** BW-012	Hobbs Station	October 26 1999	9:30 am	1:30 pm	Isolate cavern & pressure test casing + Cavern survey***
Sally Dog, Inc.	** BW-008	Arkansas-Jcd	October 26 1999	11 am	3 pm	Pressure test cavern + Cavern survey***
Quality Oil (Salado Brine Sales)	** BW-025	Salado Brine St. #2	October 27 1999	8 am	12 noon	Isolate cavern & pressure test casing + Cavern survey***
Conoco	** BW-001	Warren -Mckee #3	October 27 1999	1:30 pm	5:30 pm	Isolate cavern & pressure test casing
Conoco	** BW-001	Warren -Mckee #4	October 27 1999	1:30 pm	5:30 pm	Isolate cavern & pressure test casing
Quality Brine	BW-022	Tatum Water St.	October 28 1999	9 am	1 pm	Pressure test cavern
Kenneth Tank Service	BW-013	Crossroads	October 28 1999	11 am	3 pm	Pressure test cavern
Wasserhaun	BW-004	Buckeye	October 29 1999	9 am	1 pm	Pressure test cavern
Marathon Brine St.	BW-015	Marathon Road	October 29 1999	11 am	3 pm	Pressure test cavern
Loco Hills Brine	BW-021	Loco Hills	November 1 1999	9 am	1 pm	Pressure test cavern
Jims Water Ser.	BW-005	SE of Artesia	November 1 1999	11 am	3 pm	Pressure test cavern
&W Trucking	BW-006 &6A	Carlsbad Yard	November 2 1999	8 am	12 noon	Pressure test cavern
Key Energy-Carlsbad	BW-019	Rowland Truckers	November 2 1999	9:30 am	1:30 pm	Pressure test cavern
Scurlock/Permian	** BW-027 &27A	Carlsbad Brine St.	November 2 1999	11 am	3 pm	Isolate cavern & pressure test casing + Cavern survey***

Notes:

\*\* Discharge Plan up for renewal  
 \*\*\* Cavern Surveys are Discharge Plan Requirements Companies have the option to perform now  
 are at a later date approved by OCD.



## Brine Well Testing Procedure Guidance Document

- 1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.
- 2) Have manpower and equipment available for pressure test. Well head shall be prepared for test and all valves and gauges should be in good working order.
- 3) Pressure devices i.e pumps, truck pumps, etc. must be isolated from the well head before and during test.
- 4) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 1,000 psig. The operator must provide proof that the recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**
- 5) A minimum of one pressure gage shall be installed in the system.
- 6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator shall bleed-off pressure by 10% to demonstrate recorder response.
- 7) The following information shall be place on the chart:
  1. Date, time test started, time stop.
  2. Company name, Discharge Plan #, well name and number, legal location UL, section, township, range and county.
  3. Type of Test; Open hole, Casing Test, or Both.
  4. Printed name and signature of company representative and OCD representative.

**Note: NMOCD recognizes that different operations, well constructions and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval.**

District I - (505) 393-6161  
 P. O. Box 1980  
 Hobbs, NM 88241-1980  
 District II - (505) 748-1283  
 811 South First  
 Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Road  
 Aztec, NM 87410  
 District IV - (505) 827-7131

State of New Mexico  
 Energy Minerals and Natural Resources Department  
 Oil Conservation Division  
 2040 South Pacheco Street  
 Santa Fe, New Mexico 87505  
 (505) 827-7131

Form C-141  
 Originated 2/13/97

Submit 2 copies to  
 Appropriate District  
 Office in accordance  
 with Rule 116 on  
 back side of form

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name <i>Salty Dog, Inc.</i>	Contact <i>Terry Wallace</i>
Address <i>P.O. Box 2724 Lubbock Tx 79408</i>	Telephone No. <i>505-393-8352</i>
Facility Name <i>Salty Dog</i>	Facility Type <i>Brine Water station</i>
Surface Owner <i>Peter Bergstein</i>	Mineral Owner <i>Squines</i>
Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>1</i>	<i>5</i>	<i>19S</i>	<i>36E</i>					

NATURE OF RELEASE

Type of Release <i>Brine Water</i>	Volume of Release	Volume Recovered <i>N/A</i>
Source of Release <i>Hole in Casing</i>	Date and Hour of Occurrence	Date and Hour of Discovery <i>9/8/99</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Gary Wink Ocd</i>	
By Whom? <i>Snyder Ranches</i>	Date and Hour	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully. (Attach Additional Sheets If Necessary) <i>Snyder Ranches has a Fresh water well approximately 150 yards from Brine Well. A representative informed Mr. Wink that water was salty. Test were done to determine salt in fresh water.</i>		
Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary) <i>Well was shut in. Pulling Unit set up. Packer was set to determine where hole was. Squeeze job-Fix hole. Ran 5 1/2 casing and cemented to surface</i>		
Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary) <i>A New Fresh Water well was drilled 150 yds N.E. of Existing water well. Water is O.K.</i>		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		
Signature <i>Terry Wallace</i>	OIL CONSERVATION DIVISION	
Printed Name <i>Terry Wallace</i>	Approved by District Supervisor:	
Title <i>Manager</i>	Approval Date:	Expiration Date:
Date <i>9-8-99</i>	Phone <i>505-393-8352</i>	Conditions of Approval:
		Attached <input type="checkbox"/>

RECEIVED

SEP 10 1999

Environmental Bureau  
 Oil Conservation Division



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

September 3, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 144**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008

Dear Mr. Bergstein:

Pursuant to our telephone conversation on Aug 30, 1999 please find enclosed a copy of the previously approved Discharge Plan and requirements. Also enclosed is the minutes of the telephone conversation conclusions and agreements. Please note the complete discharge plan file can be reviewed in either our Hobbs or Santa Fe offices.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

A handwritten signature in cursive script, appearing to read "Wayne Price".

Wayne Price-Pet. Engr. Spec.  
Environmental Bureau

cc: OCD Hobbs Office

attachments-2



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

April 20, 1995

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-962-837**

Mr. Jack Clark  
Salty Dog, Inc.  
P.O. Box 1438  
Hobbs, NM 88240

**Re: Discharge Plan BW-008  
Salty Dog, Inc. Water Station  
Lea County, New Mexico**

Dear Mr. Clark:

The groundwater discharge plan renewal, BW-008, for the Salty Dog, Inc. Salty Dog Water Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby approved under the conditions contained in the enclosed attachment. The original application was approved on December 18, 1982 with an expiration date of December 18, 1987. It was subsequently renewed on April 18, 1989 with an expiration date of April 18, 1994. The discharge plan consists of the renewal application dated May 11, 1994 and the additional information received April 19, 1995.

The discharge plan renewal was submitted pursuant to section 3-106 of the Water Quality Control Commission Regulations. It is approved pursuant to section 3-109.A. Please note Section 3-109.F., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve you of your liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

Please be advised that all exposed pits, including lined pits and open top tanks (exceeding 16 feet in diameter) shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Mr. Jack Clark  
April 20, 1995  
Page 2

Please note that Section 3-104 of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3-107.C. you are required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

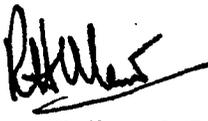
Pursuant to Section 3-109.G.4., this approval is for a period of five years. This approval will expire April 18, 1999, and an application for renewal should be submitted in ample time before that date.

The discharge plan renewal application for the Salty Dog, Inc. Salty Dog Water Station is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty (50) dollars plus one half of the flat rate or six hundred and ninety dollars (\$690.00) for brine station discharge plans. The fifty (50) dollar filing fee and the six hundred and ninety dollar (\$690.00) flat fee have not been received by the Oil Conservation Division, and shall be submitted on receipt of this approval. The required flat fee may be paid in a single payment or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the **OCD Santa Fe Office**.

On behalf of the staff of the Oil Conservation Division, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



*William J. LeMay*

for. William J. LeMay  
Director

WJL/mwa  
Attachments

xc: Eddie Seay, Peak Consulting Services, Hobbs, NM  
Jerry Sexton, OCD Hobbs Office  
Wayne Price, OCD Hobbs Office

**ATTACHMENT TO THE DISCHARGE PLAN BW-008 APPROVAL  
SALTY DOG, INC.  
SALTY DOG, INC, WATER STATION  
DISCHARGE PLAN REQUIREMENTS  
(April 20, 1995)**

1. The fifty (50) dollar filing fee and the six hundred and ninety dollar (\$690.00) flat fee shall be submitted on receipt of this approval. The required flat fee may be paid in a single payment or in equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.
2. Brine Transfer Lines: All Below-grade brine transfer lines will be tested for integrity once every five years.
3. Sump Construction: All new or rebuilt sumps and below-grade tanks will be approved by the OCD prior to installation and will incorporate secondary synthetic containment and leak detection in their designs. All leak detection systems will be inspected weekly and the OCD Santa Fe office will be notified immediately upon discovery of fluids in any leak detection system.
4. Drum Storage: All chemical and lubrication drums shall be stored on pad and curb type containment.
5. Tank Berming: All tanks that contain materials other than fresh water will be bermed to contain one and one-third times the capacity of the tank.
6. Spill Containment: All brine storage and transfer will be managed in such a manner to keep brine off of the ground surface. Any brine spilled onto the ground surface will be cleaned up upon discovery.
7. Spill Reporting: All spills and/or leaks shall be reported to the OCD Santa Fe and Hobbs offices pursuant to WQCC Rule 1-203 and OCD Rule 116.
8. Production Method: Fresh water shall be injected down the tubing of the injection well and brine shall be recovered up the tubing of the recovery well. Reverse flow will be allowed once a month for up to 24 hours for clean out.
9. Maximum Injection Pressure: The maximum operating injection pressure at the well head will be such that the fracture pressure of the injection formation (Salado) will not be exceeded. Prior to initiating injection Salty Dog, Inc. Salty Dog Water Station shall supply and obtain approval for the maximum and average injection pressures and

injection volumes.

10. **Mechanical Integrity Testing:** A mechanical integrity test will be conducted on the well annually. A pressure equal to one and one-half of the normal operating pressure will be maintained for four hours. The OCD will be notified at least 72 hours prior to the test so that the OCD may witness the test.
11. **Cavity Configuration:** A test will be conducted to determine the size and configuration of the mined cavity prior to discharge plan renewal (April 18, 1999). The method and time of testing will be approved by the OCD prior to performing the test.
12. **Production/Injection Volumes:** The volumes of fluids injected (fresh water) and produced (brine) will be recorded monthly and submitted to the OCD Santa Fe Office quarterly.
13. **Well Workover Operations:** OCD approval will be obtained from the director prior to performing remedial work or any other workover. Approval will be requested on OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103-A) with appropriate copies sent to the OCD Hobbs District office.
14. **Closure:** The OCD will be notified when operations of the facility is discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

Jennifer A. Salisbury  
CABINET SECRETARY

Oil Conservation Div.  
Environmental Bureau  
2040 S. Pacheco  
Santa Fe, NM 87505

**Memorandum of Meeting or Conversation**

Telephone   X    
Personal       

Time: 9:15 am  
Date: Aug 30, 1999

**Originating Party:** Roger Anderson, Wayne Price-OCD

**Other Parties:** Piter Bergstein-Salty Dog Inc.

**Subject:** Salty Dog Inc. Water Station- BW-008

**Discussion:**

Discharge plan permit process and OCD's Aug 10, 1999 letter.

**Conclusions or Agreements:**

Salty Dog shall cease operations until Salty Dog receives an approved discharge plan. OCD must receive information as requested in OCD letter Aug. 10, 1999. Salty Dog must submit C-141 within 15 days for groundwater contamination. OCD will send copy of previous discharge plan approval.

Signed: Wayne Price

CC: Salty Dog. Inc.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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CC: Salty Dog. Inc.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 10, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z 357 870 120**

Mr. Piter Bergstein  
Salty Dog Inc.  
P.O. Box 2724  
Lubbock, Texas 79408

Re: Salty Dog, Inc. Water Station  
Discharge Plan BW-008

Dear Mr. Bergstein:

The groundwater discharge plan BW-008 for the Salty Dog, Inc. Water Station, located in Section 5, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico expired on April 18, 1999. Salty Dog Inc. is hereby ordered to cease operations until they have obtained an approved discharge plan pursuant to section 3-109.A. of the Water Quality Control Commission Regulations. The NMOCD will require the following information if Salty Dog Inc. wishes to renew its operations.

1. Submit a discharge plan application pursuant to section 3-106 of the Water Quality Control Commissions Regulations along with a \$50.00 filing fee. NMOCD has enclosed a blank form and a copy of the guidelines for your use.
2. Submit a completed Form C-103 for NMOCD approval to investigate the mechanical integrity of the well and a plan to determine cavity configuration.
3. Submit all past quarterly reports.
4. The NMOCD Environmental Bureau records in Santa Fe, NM indicate the last mechanical integrity test was performed on October 11, 1995. Please provide all records pertaining to this well, i.e. testing, work-over, releases, etc.

If Salty Dog, Inc does not wish to continue operations then please submit a closure plan for NMOCD approval by September 15, 1999.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7152).

Sincerely Yours,

Roger C. Anderson  
Environmental Bureau

cc: OCD Hobbs District

STATE OF NEW MEXICO

FACSIMILE TRANSMITTAL SHEET

TO: WAYNE PRICE

FROM: DONNA WILLIAMS

FAX NUMBER: 827-8177

DATE: 8-10-99

COMPANY: OCD

TOTAL NO. OF PAGES INCLUDING COVER: 2

PHONE NUMBER:

SENDER'S REFERENCE NUMBER:

RE:

YOUR REFERENCE NUMBER: 505-393-6161 EXT...113

URGENT

FOR REVIEW

PLEASE COMMENT

PLEASE REPLY

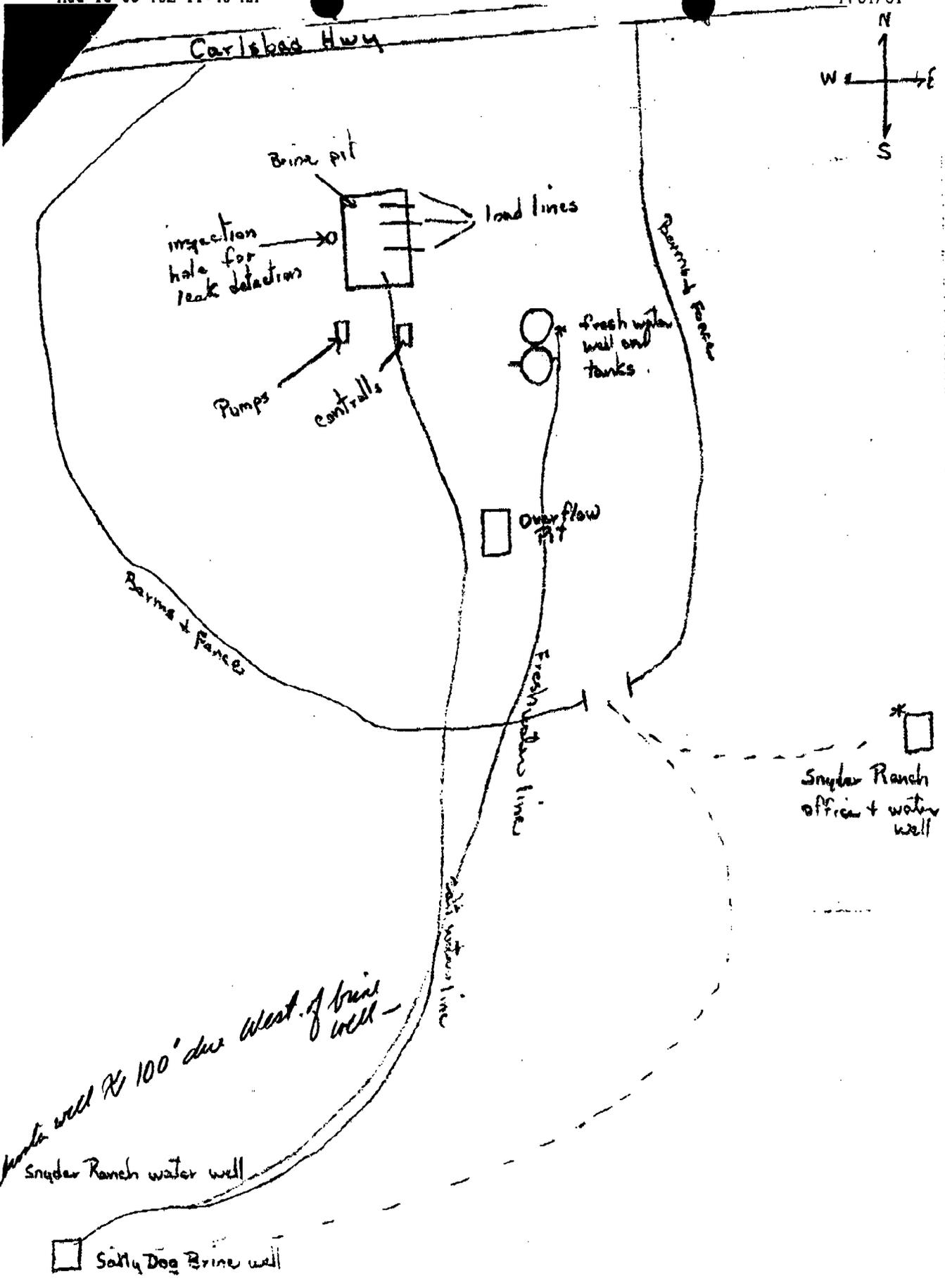
PLEASE RECYCLE

NOTES/COMMENTS:

I will be out of the office  
for the rest of the day. sb  
you need anything more contact Chris.  
Thanks

IF YOU HAVE ANY QUESTIONS PLEASE DON'T HESITATE TO CALL (505)-  
393-6161 EXT...113

DONNA WILLIAMS



INSPECTIONS & MONITORING  
BY: [unclear] COMPANY

Ⓟ Salt Dog Brine well

## **Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Wednesday, August 04, 1999 2:45 PM  
**To:** Anderson, Roger; Bill Olson  
**Cc:** Williams, Chris  
**Subject:** Salty Dog Brine St. BW-008

District I has received a groundwater complaint from Larry Squires landowner. Mr. Squires has a fresh water well in very close proximity 100-200 feet to the brine well. This well has just come up contaminated with approximately 5700 ppm of chlorides.

District I ask Salty Dog owner to shut well in until it can be checked!

History: Approximately 6 months to one year ago District I notify us that Sonny's trucking Co. operator of brine well went out of business. 3-4 months ago Gary Wink Called and lets us know that someone was operating the brine system. Gary investigated and found out it was Piter Bergstein of Lubbock, Texas. I called Mr. Bergstein and notified him that he is required to make notification concerning the transfer of the Brine St. Discharge Plan. He indicated he would do that. As of this date we have not received anything from him, also the discharge plan has since expired!

I recommend we keep Salt Dog shut in until they receive an approved plan!

Please advise!

**SALTY DOG  
WATER STATION**

*In Case Of Emergency Or Information*

**(505)393-8352**



















Zia

Salty Dog

8/27/2004

**BW - 8**

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**

1998 - 1982



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

April 28, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-259-061**

Mr. Jack Clark  
Salty Dog, Inc  
P.O. Box 1438  
Hobbs, NM 88240

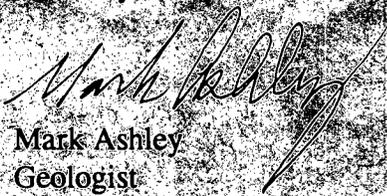
RE: Quarterly Reports  
Salty Dog, Inc. Water Station (BW-008)  
Lea County, New Mexico

Dear Mr. Clark:

As a condition of discharge plan approval, all brine facilities are required to submit quarterly reports listing, by month, the volumes of fluids injected and produced. The New Mexico Oil Conservation Division had not received any quarterly reports for the above-mentioned brine facility. Please update all delinquent quarterly reports by June 29, 1998.

If Salty Dog has any questions, please contact me at (505) 827-7155.

Sincerely,

  
Mark Ashley  
Geologist

xc: OCD Hobbs Office

P 288 259 061

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800 April 1995

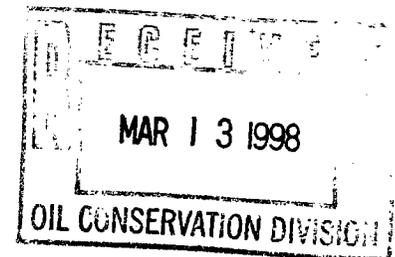


NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

February 17, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-259-020**



Mr. Jack Clark  
Salty Dog, Inc.  
P.O. Box 1438  
Hobbs, NM 88240

**Re: Discharge Plan Fees BW-008**  
**Salty Dog, Inc. Water Station**  
**Lea County, New Mexico**

Dear Mr. Clark:

On April 20, 1995, Salty Dog, Inc. received, via certified mail, a letter from the New Mexico Oil Conservation Division (OCD) stating that the discharge plan BW-008 for Salty Dog Water Station was approved. In that letter it also stated that, in accordance with Water Quality Control Commission Regulation (WQCC) 3114, a \$50 filing fee and a \$690 flat fee were required upon receipt of the approval letter. The \$50 filing fee and two installment payments (\$138 each) of the flat fee have been received by the OCD. As of this date, there is a remaining amount of \$414. The last installment received by the OCD was May 20, 1996. Please submit the remaining \$414 flat fee in full by March 17, 1998.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions, please contact me at (505)-827-7152 or Mark Ashley at (505) 827-7155.

Sincerely,

Roger Anderson  
Environmental Bureau Chief

RCA/mwa

cc: OCD Hobbs Office

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/11/98,

or cash received on \_\_\_\_\_ in the amount of \$ 414.00

from Salty Dog

for Salty Dog Water Sta BW-008

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: RC [signature] Date: 3/27/98

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment  or Annual Increment

**SALTY DOG INC.**  
P. O. BOX 2265 505-392-5300  
HOBBS, NM 88241

3-11 19 98

95-7227/3070  
2058

PAY TO THE ORDER OF WQMD Water Quality Management \$ 414.00

Four Hundred Fourteen Dollars 00/100 DOLLARS

**Bank of America**  
P.O. Box 25000  
Albuquerque, NM 87125  
Branches Located Throughout New Mexico  
888-1300 in Albuquerque, 1-800-869-7737 in New Mexico

[Signature]

FOR \_\_\_\_\_ [redacted]



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

February 17, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-259-020**

Mr. Jack Clark  
Salty Dog, Inc.  
P. O. Box 1438  
Hobbs, NM 88240

**Re: Discharge Plan Fees BW-008**  
**Salty Dog, Inc. Water Station**  
**Lea County, New Mexico**

Dear Mr. Clark:

On April 20, 1995, Salty Dog, Inc. received, via certified mail, a letter from the New Mexico Oil Conservation Division (OCD) stating that the discharge plan BW-008 for Salty Dog Water Station was approved. In that letter it also stated that, in accordance with Water Quality Control Commission Regulation (WQCC) 3114, a \$50 filing fee and a \$690 flat fee were required upon receipt of the approval letter. The \$50 filing fee and two installment payments (\$138 each) of the flat fee have been received by the OCD. As of this date, there is a remaining amount of \$414. The last installment received by the OCD was May 20, 1996. Please submit the remaining \$414 flat fee in full by March 17, 1998.

Please make all checks payable to: **NMED Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions, please contact me at (505) 827-7152 or Mark Ashley at (505) 827-7155.

Sincerely,

  
Roger Anderson  
Environmental Bureau Chief

RCA/mwa

cc: OCD Hobbs Office

PS Form 3800, April 1995

P 288 259 020

US Postal Service <b>Receipt for Certified Mail</b> No Insurance Coverage Provided. Do not use for International Mail (See reverse)	
Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 1209  
or cash received on \_\_\_\_\_ in the amount of \$ 138.00

from Salty Dog  
for \_\_\_\_\_ BW-008

Submitted by: \_\_\_\_\_ (Facility Name) Date: \_\_\_\_\_ (DP No.)

Submitted to ASD by: R. C. Anderson Date: 5/20/96

Received in ASD by: M. Acill Date: 5-20-96

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
(specify)

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment X 2 of 5

SALTY DOG INC.  
PO BOX 1438 505-393-4521  
HOBBS NM 88241-1438

[redacted]  
95-108/1122  
1

May 19 96

PAY TO THE ORDER OF

Energy, Minerals & Nat. Res. Dept \$ 138.00

One Hundred Thirty Eight 00/100 DOLLARS

Western  
Commerce  
Bank  
Certified, NY


\$ \_\_\_\_\_  
\$ \_\_\_\_\_

Douglas Clark

FOR

[redacted]

Mark

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 4/24/95 or cash received on 5/10/95 in the amount of \$ 188.00 from Salty Dog Inc for Salty Dog Brine (Facility Name) BW 008 (DP No.) Submitted by: Date: Submitted to ASD by: Roger Anderson Date: 5/12/95 Received in ASD by: Date:

Filing Fee X New Facility \_\_\_ Renewal X Modification \_\_\_ Other \_\_\_ (specify)

Organization Code 521.07 Applicable FY 95

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_ or Annual Increment X one of 5

SALTY DOG INC. P. O. BOX 1477 505-887-7682 CARLSBAD, NM 88221-1477

4-24 19 95

[redacted] 95-108/1122 1

PAY TO THE ORDER OF NMED Water Quality Management \$ 188.00/100 One hundred Eighty Eight & 00/100 DOLLARS

Western Commerce Bank Carlsbad, NM

\$ \$

FOR Filing Fee & Payment Salty Dog Discharge [redacted] B-W-008

[Signature]

STATE OF NEW MEXICO  
NMOCD District I

WILDERNESS CONSERVATION DIVISION  
RECEIVED

'95 APR 19 PM 8 52

INTER-OFFICE MEMO

To file: Texaco Inc.

Date: April 17, 1995

Time: 9:40 am

Telephone call:  X  Meeting:   Other:

Person called or attending:

Larry Lehman-Texaco USA Environmental Rep.

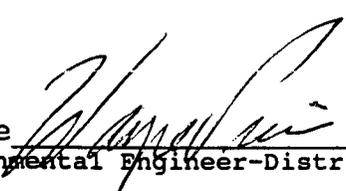
REFERENCE: Sonny's Trucking Co.

Subject: Inquiry on possible violation

Comments:

Larry Lehman called and ask me if I knew anything about the rumor of Sonny's Trucking Co. dumping water on roads. He was concerned that it might be Texaco's water.

I informed him that I had information of water being dumped on the ground at the Salty Dog Brine Station. I gave him the time and date and indicated that the Santa Fe environmental group and the district personnel were notified. I told Mr. Lehman this was public information and he is welcome to come in and look at their file.

Wayne Price   
NMOCD Environmental Engineer-District I

cc: Jerry Sexton-District I Supervisor  
Gary Wink-Field Rep. II  
Roger Anderson-Environmental Bureau Chief  
Larry Lehman-Texaco USA

STATE OF  
NEW MEXICO  
OIL  
CONSERVATION  
DIVISION



MEMORANDUM OF MEETING OR CONVERSATION

Telephone

Personal

Time  
~ 9:40 AM

Date  
4/17/95

Originating Party

Other Parties

LARRY LEHMAN - TEXAS

Subject

G.L. ERWIN - GROUND WATER INVESTIGATION WORK PLAN

RE: LETTER DATED 3/28/95 OLSON (MCCO) TO FRAZIER (TEXAS)

Discussion

PROGRESS REPORT

Conclusions or Agreements

ALL ORIGINAL REPORTS GO TO SANTA FE / CC DISTRICT

Distribution

cc: BILL OLSON  
LARRY LEHMAN  
FRAN - SEXTON

Signed



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

OIL CONSERVATION DIVISION  
RECEIVED

'95 APR 19 PM 8 52

MEMORANDUM:

TO: Jerry Sexton  
FROM: Gary W. Wink *GW*  
DATE: April 17, 1995  
SUBJECT: Sonny's Oilfield Service

On Monday, April 10, 1995, Wayne Price, Environmental Engineer in Hobbs, District I, informed me that he had observed a Sonny's Oilfield transport driver discharging washout fluids onto the ground. The driver, Mike Jones, indicated to Wayne that his dispatcher has instructed him to wash out at Salty Dog Brine Station instead of going back to town.

I then went to talk to Jack Clark at Sonny's office, located in Hobbs.

I reminded Mr. Clark that I had advised them in the past not to discharge fluids on the ground or into their fresh water pit. I also told Mr. Clark, if this occurred again, that my suggestion would be to shut in the Salty Dog Brine Station for 30 days.

Mr. Clark said that he was unaware of the incident, and he would call a safety meeting and inform all of his employees not to dispose of water on the ground or into an unapproved disposal site.

I then informed Mark Ashley of Mr. Clark's and my meeting. A short time later, Mark called me back and asked me if I had told Sonny's that I was going to shut in the Salty Dog Facility at this time. I informed Mark that I hadn't told them they were shut in at this time, but I would suggest the next time this happened that their facility be shut in for 30 days. Mark asked me if I minded speaking to Roger Anderson about this matter. Roger then got on the speaker phone to ask me questions on what I told Mr. Clark. I told Roger that I had told Mr. Clark, if this incident happened again, I would suggest for the Sonny's facility be shut in. Roger said he would write Mr. Clark a letter asking him to submit a pit closure plan within 7 days from receipt of his letter and start closing the pit within 20 days.

cc: Wayne Price  
Roger Anderson  
Mark Ashley