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REPORTS

DATE:

2000

December 12, 2000
EQUIVA-E00-2003

Mr. Kyle Landreneau
Equiva Services, LLC.
PMB 174
269 Cypress Wood
Spring, Texas 77388

RECEIVED

JAN 12 2000

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

RE: WORKPLAN & COST ESTIMATE FOR INSTALLATION OF THREE MONITOR WELLS AND TWO SOIL BORINGS LOCATED AT THE FORMER SHELL TANK BATTERY SITES 1, 2, AND 3 LOCATED ON JIMMIE COOPER'S RANCH NEAR MONUMENT, LEA COUNTY, NEW MEXICO.

Dear Mr. Landreneau:

Enercon Services, Inc., (Enercon) is pleased to present this work plan and cost estimate for the installation of three monitor wells and two soil borings at the above-referenced site located south of Monument, Lea County, New Mexico.

Our proposal is organized as follows:

- Scope of Work
- Site Safety Plan
- Schedule
- Compensation
- Assumptions

Scope of Work

The scope of work was prepared based upon observations made during soil excavations at the site from July 17 to August 28, 2000. Based upon groundwater impacts noted during the excavations and as verbally directed by Ms. Donna Williams of the New Mexico Oil Conservation Division (NMOCD), Enercon proposes installation of a total of three (3) monitor

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wells at sites 1, 2, and 3 (one per site) to a depth of 45 feet below surface grade (bsg) and two soil borings on the west side of State Highway 8 to a maximum depth of 35 feet bsg. The monitor wells will be installed adjacent to the initial release site at each of the excavations, while the two borings will be installed on the westside of State Highway 8 adjacent to Site 3 (See Figures 1, 2, and 3 for proposed locations). Regional downgradient groundwater direction is to the southeast.

During drilling activities, the soils will be field screened for volatile organic constituents with a Photoionization Detector (PID) using headspace techniques. Two soil samples, one collected from the soil/groundwater interface and one sample from the zone exhibiting the highest PID measurements will be collected from each soil boring and submitted to Trace Analysis Laboratories (Trace) of Lubbock, Texas for analysis of BTEX and TPH using EPA Methods 8021B and 8015 modified for DRO/GRO, respectively. The three soil borings located at sites 1, 2, and 3 will be converted to monitor wells, while the two borings located on the west side of State Highway 8 will be grouted to the surface with a 5% bentonite/cement slurry upon obtaining soil samples.

The monitor wells will be completed using a 4-inch inside diameter, schedule 40 polyvinyl chloride riser, and a 15-foot long, 0.010 inch slotted screen. The screen will be placed at the bottom of the boring and extended 5 feet above the groundwater. A gravel pack will be set around the well screen from the bottom of the well to two feet above the top of the well screen. A two-foot bentonite plug will be placed above the gravel pack. The remainder of the wellbore will be sealed with cement containing a 3-5% bentonite slurry, and capped with two feet of cement. The well will be completed with a monument style cover and a four-foot by four-foot concrete pad and locking cap.

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The monitor wells will be developed by pumping or handbailing a minimum of three well volumes or until conductivity, pH, and temperature have stabilized within 5% for three consecutive readings. Groundwater samples will be collected from the monitor wells and submitted to Trace Analysis Laboratories of Lubbock, Texas for analysis of BTEX and TPH using EPA Method 8021B and 8015 modified DRO/GRO, respectively. In addition, a groundwater sample will be collected from the monitor well located at Site 1 and submitted for analysis of constituents as outlined in the *New Mexico Water Quality Control Commission Groundwater Standards* (NMWQCC) document.

Within two weeks of obtaining analytical results, Enercon will submit to Equiva Services, LLC. (Equiva) a report detailing the site activities and summarizing the data collected. The report will include geologic logs, well completion diagrams, and laboratory analytical data.

Site Safety Plan

A comprehensive Safety, Health, and Emergency Response Plan (SHERP) is maintained on file in each Enercon office for providing overall guidance to Enercon employees for establishing the safety criteria for employment on project sites. A site-specific health and safety plan is developed for each project site and will be reviewed daily before commencing project activities.

Enercon will ensure that the work is conducted in a manner that is protective of the environment; safety and health of Enercon employees and subcontractors; and in compliance with all U.S. EPA, OSHA, and State Health and Safety statutes and regulations.

Schedule

It is anticipated that the project will be initiated within one week of notification to proceed (dependent on drill rig availability). Anticipated time for completion of the drilling activities is

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two 12-hour days, which includes development and sampling of the monitor wells and the two soil borings. As always, Enercon is committed to meeting your required schedule.

Compensation

Enercon proposes to complete this project using a lump sum/unit rate and time-and-materials type contract based upon the previously agreed schedule. Estimates are provided for your consideration.

Drilling Services

Installation of three 4-inch diameter monitor wells each 45 feet deep
along with installation of 2 borings to a depth of 35 feet each. \$ 9,460.00

Consulting Services

Includes project management and coordination, site safety plan,
Travel time, fieldwork, report preparation and miscellaneous expenses \$ 4,310.00

Survey

Locate and survey 3 monitor wells \$ 500.00

Analytical Costs (Soil)

TPH/BTEX (10 samples each) Billed direct

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Analytical Costs (Water)

TPH/BTEX (3 samples each)	<u>Billed direct</u>
NMWCC Standards (One sample from Site 1)	<u>Billed direct</u>
Total Estimated Costs	\$13,770.00

ASSUMPTIONS

To develop this cost estimate, Enercon has assumed the following:

- Enercon will prepare a site specific Health and Safety Plan in compliance with OSHA 1910.120;
- Enercon will make all one calls for locating pipelines and overhead utility companies in the vicinity prior to drilling of boreholes;
- Drill cuttings will be spread onsite. Costs for disposal of the cuttings are not included in this proposal;
- Work will be performed in Level D Personal Protection Equipment;
- Price does not include applicable federal, state, or local taxes;
- Costs do not include standby time for reasons outside of Enercon's control.

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Enercon appreciates the opportunity to present this proposal to provide you with our professional consulting services. To accept this proposal, please complete the signature block provided below. This confirms your acceptance of the scope of services, cost estimates, and project schedule. Work can begin as soon as we receive the signed proposal.

Sincerely,
Enercon Services, Inc.

Jeffrey Kindley, P.G.
Senior Project Manager-Midland

Charles D. Harlan, C.P.G.
Manager, Environmental Services-Dallas

The scope of services, fees, and project schedule
Contained in this Proposal Letter is
accepted this _____ day of _____, 2000.

Client: _____

By: _____

Title: _____