

March 17, 2016

Mike Bratcher
New Mexico Energy, Minerals & Natural Resources Oil Conservation Division,
Environmental Bureau - District 2
811 S. First St.
Artesia, NM 882L0

RE: Corrective Action Plan

Burnett Oil Co., Inc. – Jackson B 44

UL/C sec. 24 T17S R30E

Mr. Bratcher

The above location is located approximately 2 miles northeast of Loco Hills, New Mexico at UL/C sec. 24 T17S R30E. The site is located in an area of no known groundwater.

On December 16, 2015 a release was discovered of 8 barrels of crude oil and produced water. The release occurred when a steel injection line going to the Jackson B 44 (API # 30-015-34864) ruptured and come to surface. The release impacted a 75'x15' area in the pasture with a 100'x 50' overspray area on the well location. The BLM and the NMOCD were both notified of the release on December 16, 2015 with the initial C-141 being filed on the same day.

On February 8, 2016, Burnett Oil Co., Inc. collected initial samples at four different sample points. The samples were taken to a commercial laboratory for testing.

Corrective Action Plan

The well location has been scraped, and the impacted soil has been hauled to disposal. To remediate the impacted soil in the pasture, Burnett Oil Co., Inc. would like to work the impacted area with chloride bonding agents, flush the area with fresh water and drive the chlorides approximately 3' below surface level. After each installment of binding agents, Burnett Oil Co., Inc. will collect samples for verification of remediation success. Once the chlorides have been pushed below the root zone, and the hydrocarbons have been remediated below regulatory standards the area will be reseeded with BLM #2 seed mix. The area will then be observed until sufficient regrowth occurs.



March 17, 2016

Following the approval of the plan and after the remediation has taken place, Burnett Oil Co., Inc. will submit all proper closure documentation to the NMOCD and the BLM in accordance to the State and Federal Guidelines set forth.

Please feel free to contact me with any questions concerning this remediation plan request.

Sincerely,

Johnny Titsworth

HSE Coordinator

Burnett Oil Co., Inc.

P.O. Box 188 / CR 220 North

Loco Hills, NM 88255

(432)-425-2891

Email: jtitsworth@burnettoil.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Form C-141 Revised August 8, 2011 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

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

			Rele	ase Notifica	ation	and Co	rrective A	ction	
					(OPERAT	OR	Initia	l Report Final Report
Name of Co	mnony Di	rnott Oil Co	lnc.			Contact Les	lie Garvis		
Name of Co	nott Plaza - Si	ite 1500 801 Ch	erry Street-U	Init 9, Ft. Worth, TX 76		Telephone N			
Facility Nar			5.1) 0.1001 0			acility Typ			
		0 44		1.6 10		BLM	Market Control of the	API No	30-015-34864
Surface Ow	ner BLM			Mineral O	wner	DLIVI		ATTIVO	
						OF REI		East/West Line	County
Unit Letter	Section	Township	Range	Feet from the	503.513.55	South Line	Feet from the		County Eddy
С	24	178	30E	990	North	1	2310	West	Ludy
<u> </u>	L		La	titude		Longitud	e		
			La		· · · ·			<u></u>	
				NAT	URE	OF REL	Release 3 bbls/5 b	bls Volume F	Recovered 0/0
Type of Rele	ase Oil/Wat	er oly Pipe				Date and H	lour of Occurrent	2/16/15 0700 Date and	Hour of Discovery 12/16/15 0700
Source of Re Was Immedi	ate Notice	Given?				If YES, To	Whom? cker, OCD - H.Patte	oreon	
was innicu	ate Hotice	X	Yes [] No [] Not Re	equired	1			
By Whom?	Leslie Garvis	3				Date and I	lour 12/16/15 10:	20	
Was a Water	course Rea	ched?		71		If YES, Vo	olume Impacting	the Watercourse.	
			Yes [∐ No					· ·
If a Waterco	urse was In	pacted, Descr	ibe Fully.	*					
N/A									
Describe Ca	use of Prob	lem and Reme	edial Actio	on Taken.*					
Weld on poly	pipe gave v	vay. Repair mad	te to pipe.						
Describe Ar	ea Affected	and Cleanup	Action Ta	iken.*			10.100000000000000000000000000000000000	- haakhaa Daatura ta	he campled and cleaned up
Area affect	s approx 75'	x15' in the past	ure and 50'	x100' over spray on	the well p	pad. Pad area	will be scraped with	n dacknoe. Pasture to	be sampled and cleaned up
according to	regulatory r	equirements. C	lean up pla	in will be submitted a	as soon a	is developed.			
							1	understand that nur	sugart to NMOCD rules and
I hereby cer	tify that the	information g	given abov	e is true and comp	plete to t	the best of my	nd perform corre	ective actions for re	suant to NMOCD rules and leases which may endanger lieve the operator of liability
regulations	all operator	s are required	to report	and/or life certain	ort by th	e NMOCD r	narked as "Final	Report" does not re	lieve the operator of liability
should their	n or the env	have failed to	adequate	ly investigate and	remedia	te contamina	tion that pose a th	reat to ground water	er, surface water, human health
or the envir	onment. In	addition, NM	OCD acce	eptance of a C-141	report o	does not relie	ve the operator of	f responsibility for	compliance with any other
federal, stat	e, or local l	aws and/or re	gulations.					SERVATION	
		, ,		.7			OIL COL	NOLIK VALIOI	DITIOIOI
Signature:	Ten	lin K	aru	4					
Signature	7	lie Garvis				Approved b	y Environmental	Specialist:	
Printed Nar	ne:	NO GOI VIO						T	
Title: Reg	ulatory Coord	dinator				Approval D	ate:	Expiration	Date:
Title.									4
E-mail Add	iress: Igarvi	s@burnettoil.co	om .			Conditions	of Approval:		Attached
Date: 12/16			Phor	ne: 817-583-8730					

^{*} Attach Additional Sheets If Necessary

2/8/16 API- 30-015-34864 Jad660n B 44 A 32,82440 -103,52677 0-1 A4-1 1-15 7:25 3'-3,5' 4-4.5 5'-5.5' 6-65 7-7.5 8'85 9'55' 50' 15

Rite in the Rain.



February 16, 2016

JOHNNY TITSWORTH
Burnett Oil Co., Inc
P. O. BOX 188
LOCO HILLS, NM 88255

RE: JACKSON B #44

Enclosed are the results of analyses for samples received by the laboratory on 02/09/16 13:25.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-15-7. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab accred certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2

Haloacetic Acids (HAA-5)

Method EPA 524.2

Total Trihalomethanes (TTHM)

Method EPA 524.4

Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

Celey D. Keine

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Burnett Oil Co., Inc JOHNNY TITSWORTH P. O. BOX 188 LOCO HILLS NM, 88255

Fax To:

None

Received:

02/09/2016

Reported:

02/16/2016 JACKSON B #44

Project Name: Project Number:

NONE GIVEN

Project Location:

EDDY COUNTY, NM

Sampling Date:

02/08/2016

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Jodi Henson

Sample ID: AH-1 0-1' (H600288-01)

mg/	kg	Analyzed By: MS						
Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<0.050	0.050	02/12/2016	ND	2.10	105	2.00	2.38	
<0.050	0.050	02/12/2016	ND	2.08	104	2.00	2.62	
0.073	0.050	02/12/2016	ND	1.90	95.0	2.00	2.16	
0.272	0.150	02/12/2016	ND	5.71	95.2	6.00	2.49	
0.345	0.300	02/12/2016	ND					
	Result <0.050 <0.050 0.073	<0.050 0.050 <0.050 0.050 0.073 0.050 0.272 0.150	Result Reporting Limit Analyzed <0.050 0.050 02/12/2016 <0.050 0.050 02/12/2016 0.073 0.050 02/12/2016 0.272 0.150 02/12/2016	Result Reporting Limit Analyzed Method Blank <0.050 0.050 02/12/2016 ND <0.050 0.050 02/12/2016 ND 0.073 0.050 02/12/2016 ND 0.272 0.150 02/12/2016 ND	Result Reporting Limit Analyzed Method Blank BS <0.050 0.050 02/12/2016 ND 2.10 <0.050 0.050 02/12/2016 ND 2.08 0.073 0.050 02/12/2016 ND 1.90 0.272 0.150 02/12/2016 ND 5.71	Result Reporting Limit Analyzed Method Blank BS % Recovery <0.050	Result Reporting Limit Analyzed Method Blank BS % Recovery True Value QC <0.050	Result Reporting Limit Analyzed Method Blank BS % Recovery True Value QC RPD <0.050

Surrogate: 4-Bromofluorobenze	ne (PIL	
-------------------------------	---------	--

111 %

73.6-140

mg/	mg/kg		d By: AP					
Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<16.0	16.0	02/12/2016	ND	432	108	400	0.00	
mg,	mg/kg		d By: MS					
Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
34.0	10.0	02/10/2016	ND	226	113	200	1.04	
	10.0	02/10/2016	ND	215	108	200	0.440	
	Result <16.0 mg/	Result Reporting Limit <16.0 16.0 mg/kg Result Reporting Limit 34.0 10.0	Result Reporting Limit Analyzed <16.0 16.0 02/12/2016 mg/kg Analyze Result Reporting Limit Analyzed 34.0 10.0 02/10/2016	Result Reporting Limit Analyzed Method Blank <16.0	Result Reporting Limit Analyzed Method Blank BS <16.0	Result Reporting Limit Analyzed Method Blank BS % Recovery <16.0	Result Reporting Limit Analyzed Method Blank BS % Recovery True Value QC <16.0	Result Reporting Limit Analyzed Method Blank BS % Recovery True Value QC RPD <16.0

Surrogate: 1-Chlorooctane

99.2 %

35-147

Surrogate: 1-Chlorooctadecane

106 %

28-171

Sample ID: AH-1 1-1.5' (H600288-02)

Chloride, SM4500Cl-B	mg	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	02/12/2016	ND	432	108	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celley & Keine



Analytical Results For:

Burnett Oil Co., Inc JOHNNY TITSWORTH P. O. BOX 188 LOCO HILLS NM, 88255

None

Fax To:

Received:

02/09/2016

Reported:

02/16/2016 JACKSON B #44

Project Name:

NONE GIVEN

Project Number: Project Location:

Analyte

EDDY COUNTY, NM

Sampling Date:

02/08/2016

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Jodi Henson

Sample ID: AH-1 2-2.5' (H600288-03)

Chloride, SN	MAEOOCI-R

mg/kg

Analyzed By: AP

Analyzed Method Blank

BS

% Recovery

True Value QC

RPD 0.00 Qualifier

Chloride

112

Result

02/12/2016 16.0

Reporting Limit

Reporting Limit

16.0

Reporting Limit

16.0

Reporting Limit

16.0

ND

432

BS

108

400

True Value QC

Sample ID: AH-1 3-3.5' (H600288-04)

Chloride,	SM4500CI-B
Chloride,	SM45UUCI-B

Analyte

Analyte

Analyte

Analyte

Cardinal Laboratories

Analyzed By: AP

Method Blank

% Recovery 104

RPD

3.77

Qualifier

Chloride

128

Result

Analyzed

02/15/2016

Analyzed

ND

416

400

Sample ID: AH-1 4-4.5' (H600288-05)

Chloride, SM4500Cl-B

Analyzed By: AP

3.77

Chloride

64.0

Result

16.0 02/15/2016 Method Blank ND

BS 416 % Recovery 104

True Value QC

Qualifier RPD

Sample ID: AH-1 5-5.5' (H600288-06)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: AP

Chloride

Chloride

Result 32.0

Result

64.0

Reporting Limit Analyzed 02/15/2016 Method Blank ND

Method Blank

ND

416

BS

% Recovery 104

104

True Value QC 400

400

Qualifier **RPD** 3.77

Sample ID: AH-1 6-6.5' (H600288-07)

Chloride, SM4500Cl-B

Analyzed By: AP

Analyzed

02/15/2016

% Recovery BS

416

True Value QC

400

RPD

3.77

*=Accredited Analyte

Qualifier

All claims, including those for negligence and remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. any other cause whatsoever shall be deemed walved 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, any other cause whatsoever shall be decined waved unless made in whiching and received by Cardinal, within unity (30) days are completed to the epigens of the services hereunder by Cardinal, regardless of whether such 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 the services hereunder by Cardinal, regardless of whether such 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 the services hereunder by Cardinal, regardless of whether such 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 the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal, regardless of whether such including and the performance of the services hereunder by Cardinal and the performance of the services hereunder by Cardinal and the performance of the services hereunder by Cardinal and the performance of the services hereunder by Cardinal and the performance of the services hereunder by Cardinal and the performance of the services hereunder by Cardinal and the performa

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Analytical Results For:

Burnett Oil Co., Inc JOHNNY TITSWORTH P. O. BOX 188 LOCO HILLS NM, 88255 None

Fax To:

Received:

02/09/2016

Reported:

02/16/2016

Project Name:

JACKSON B #44 NONE GIVEN

Project Number: Project Location:

Analyte

EDDY COUNTY, NM

Sampling Date:

02/08/2016

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Jodi Henson

Sample ID: AH-1 7-7.5' (H600288-08)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: AP

Method Blank

BS % Recovery

True Value QC

RPD

Chloride

Result 64.0 Reporting Limit 16.0

Analyzed 02/15/2016

Analyzed

ND

Method Blank

ND

416

104

400

3.77

RPD

3.77

Qualifier

Sample ID: AH-1 8-8.5' (H600288-09)

Chloride, SM4500Cl-B Analyte

Analyzed By: AP

BS

% Recovery

True Value OC

Qualifier

Chloride

80.0

Result

02/15/2016 16.0

Reporting Limit

416

104

400

Sample ID: AH-1 9-9.5' (H600288-10)

Chloride, SM4500Cl-B

Analyte

mg/kg

Analyzed By: AP

BS

True Value QC % Recovery

RPD

3.77

Qualifier

Chloride

Result 320

16.0

Reporting Limit

Analyzed 02/15/2016 Method Blank ND

416

104

400

*=Accredited Analyte

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Celeg & Keine



Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
- 3	Chloride by SM4500CI-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celen Thema



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240

	1 (575) 202-526		
	Sample Condition CHBCKEDBY: Cool Intact Pres Pres	-5.40	Delivered By: (Circle One)
derper horizon		Time:	
The exceeds 5, and 5,	300	Date: Received By:	Relinguished By:
□ Yes □ No	MORNAGON	Date: Keoeived by	Relinquished By:
Yes No	mess interruptions, loss of use, or loss of profits accurred by client, its subsidiantes whether such claim is based upon any of the above stated reacons or orthorness whether such claim is based upon any of the above stated reacons or orthorness.	analyses. All claims including those for engligence and any other clause Windssener seem received in the control of claims in the control of claims. All claims including a claim in the control of claims are control of claims. All claims internations, loss of use, or loss of profits nounced by claims are controlled to conveniental damages, including without limited to be seen internations, loss of use, or loss of profits nounced by claims are controlled to a controlled to conveniental damages, without any of the above stated reasons or challenges are concessors arising out of or indicated by the participancy of services beneather to Cardinal regardless of whether such claims is based upon any of the above stated reasons or challenges. Phone Resultance or consessors arising out of or indicated by the participancy of services beneather that the controlled or consequence of the controlled or consequence or consessors arising out of or indicated by the participancy of the controlled or consequence or	analyses. All claims including those fi service. In no event shall Cardinal be
for the	er based in contract or torft, shall be limited to the amount paid by the chent for the made in writing and received by Cardinal within 30 days after completion of the	PLEASE NOTE: Lability and Damages. Cardinar's hability and clear's exclusive remedy for any clear arising whether based in contract or tort, shall be limited to the amount paid by the cleart for the expectation of the applicable in the clear of the property of the clear of the property	PLEASE NOTE: Labery and Damages
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× × ×	OT AC	(G) # C GR	H600288
T	THER CID/BA	RAB (Lab I.D.
PH BT6	ASE:	Sample I.D. OR (C) AINER DWATER WATER	25.
80		S ER	FOR LAB USE ONLY
15	MATRIX PRESERV. SAMPLING	wy (35,500)	Sampler Name:
	Fax #:		Project Location: Fold
	State.		Project Name: Ksow
		Project Owner:	Project #:
	Address.		Phone #: (435) 425- 2851
		State: NM Zip: 88755	City: (wo JLIII's
			Land Commercial Commer
	P.O. #:	Line Titsworth	
	BILLIO	Att Oil Co Inc	Company Name: Burnett
ANALYSIS REQUEST	07 1118	(575) 393-2326 FAX (575) 393-2476	(575) 39
		T. High region of the second	101 East main

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393×2326



Table 1 - Analytical Results

	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	2/8/2016	Date
	AH-1	Sample ID									
	9'-9.5'	8'-8.5'	7'-7.5'	6'-6.5	5'-5.5'	4'-4.5'	3'-3.5'	2'-2.5'	1'-1.5'	0-1'	Depth
	320	80	64	64	32	64	128	112	32	<16.0	Chloride
										34	TPH - GRO
										807	TPH - DRO
							400	٠		<0.050	Benzene
										<0.050	Toluene
										0.073	Ethylbenzen:
										0.272	Xylene
										0.345	втех