



North Jetty

Environmental Services, LLC

September 29, 2017

VIA EMAIL: tsam@cazapetro.com

Mr. Tony Sam
Caza Petroleum, Inc.
200 N. Loraine, STE. 1550
Midland, TX 79701
432-682-7424 (OFFICE)
432-556-6708 (CELL)

Re: Delineation Plan for Forehand 22 State # 8 H located in Eddy County, New Mexico

Dear Mr. Sam:

North Jetty Environmental Services, LLC (North Jetty) is pleased to present a delineation plan to conduct the subsurface investigation of the Forehand 22 State # 8 H (Site) located at 32.288262° N, -104.179429° W in Eddy County, New Mexico. The plan is based on the scope of services which were requested by the State of New Mexico Oil Conservation Division (NMOCD). The delineation plan includes the following:

- Auger 6 soil borings in the impacted area for vertical delineation, auger 4 soil boring outside the visually impacted area to horizontally delineate the release area, and collect soil samples for laboratory analysis up to 5 feet below ground surface (bgs) to delineate the impact;
- Calculate environmental impact based on the analytical results of the borings, formulating and submitting a remediation plan to remove impact, and sample for conformation of impact removal;
- Prepare report for closure of Site.

Scope of Work

The soil borings will be bored using a stainless steel auger. Soil samples will be collected using a stainless steel bowl and trowel which will be decontaminated in between each sample point using a brush, soap, and distilled water rinse. The sample will be collected at one-foot intervals up to 5 feet below ground surface (bgs) to delineate the impact. The samples will be analyzed consecutively until below NMOCD action limits for each sample point.

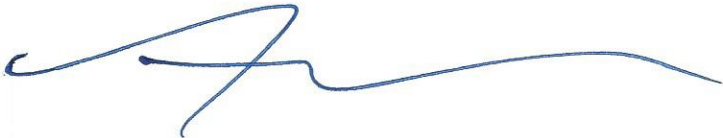
The soil samples will be placed in clean 4-ounce jars, sealed, labeled, chilled in an ice chest and delivered under chain of custody to Permian Basin Environmental Labs located in Midland, Texas. The laboratory will analyze the samples for BTEX

by SW-8021, TPH by method SW-8015M, and chloride by method E300. All excavated areas during remediation will be sampled for chlorides below 250 mg/kg vertically below excavation surface and horizontally by two hundred (200) feet from excavation walls. North Jetty will prepare a report that will include a site drawing showing location for the borings, analytical data summary table, and remediation recommendation.

Additional work required beyond this scope of services presented in this proposal, or as caused by factors beyond North Jetty's control, will be invoiced on a time and materials expense basis in accordance with North Jetty's Fee Schedule.

Respectfully submitted,

North Jetty Environmental Services, LLC

A handwritten signature in blue ink, appearing to read 'Coty Woolf', with a long horizontal flourish extending to the right.

Coty Woolf
President
North Jetty Environmental Services, LLC
432.897.4988 office
325.669.5735 cell
cotywoolf@icloud.com