

District I
1623 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Hondo 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-144
June 1, 2004
For drilling and production facilities, submit to appropriate NMOCDD District Office.
For downstream facilities, submit to Santa Fe office.

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>America State Exploration</u> Telephone: <u>(505) 623-5500</u> e-mail address: _____	
Address: <u>401 Congress Ave., Ste 2700, Austin TX 78701</u>	
Facility or well name: <u>East Millman Unit #230</u> API #: <u>30-015-34763</u> UTL or QUL #: <u>C</u> Sec: <u>14</u> T: <u>PS</u> R: <u>28E</u>	
County: <u>Eddy</u> Latitude: <u>N32° 39' 52.7"</u> Longitude: <u>104° 08' 51.3"</u> NAD: 1983 ☐ 1983 ☐	
Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐	
ER Type: Drilling ☒ Production ☐ Disposal ☐ Wellbore ☐ Emergency ☐ Liner ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness: <u>12</u> mil Clay ☐ Fit Volume: _____ gal	Below-grade tank Volume: _____ gal Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 30 feet (20 points) 30 feet or more, but less than 100 feet (10 points) <u>100 feet or more 150'</u> (0 points) <u>0</u>
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No</u> (0 points) <u>0</u>
Distance to surface water: (Horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more</u> (0 points) <u>0</u>
Ranking Score (Total Points) <u>0</u>	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the circle box if you are having in place) circle ☒ offsite ☐ If offsite, name of facility: N/A. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface: N/A ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and orientations.

Additional Comments: Refer to Attached Pit Closure Plans

* Reserve Pit Closed As of 8/27/07 According to NMOCDD Requirements. Soil Sample Analysis + Results provided. Photos of Deep Bury Process Provided. *

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCDD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Date: 5/24/07

Printed Name/Title: Dusty L. Wilson/Field Agent Signature: _____

Your certification and NMOCDD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise challenge public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approver:

Printed Name/Title: _____

Signature: [Signature]

Date: 6/5/07

Notify OCD 24 hours prior to beginning pit closure.

— Samples are to be obtained from pit area and analysis submitted to NMOCDD prior to back-filling

Closure 8/27/07
Accepted for record
NMOCDD

(B)





6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
200 East Sunset Road, Suite E El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
5002 Basin Street, Suite A1 Midland, Texas 79703 432•689•6301 FAX 432•689•6313
6015 Harris Parkway, Suite 110 Ft Worth, Texas 76132 817•201•5260
E-Mail lab@traceanalysis.com

Analytical and Quality Control Report

Cris Busby
New Mexico Environmental
P.O. Box 310
Hobbs, NM, 88241

Report Date: August 17, 2007

Work Order: 7081521



Project Location: Sec 14, T195S, R28E Eddy Co., NM
Project Name: East Millmen Unit #230
Project Number: API 30-015-34763

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
133163	#001 Working Pit 10'	soil	2007-08-14	12:00	2007-08-15
133164	#002 East Leg 10'	soil	2007-08-14	13:00	2007-08-15
133165	#003 West Leg 10'	soil	2007-08-14	14:00	2007-08-15
133166	#004 Background	soil	2007-08-14	15:00	2007-08-15

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank.

Case Narrative

Samples for project East Millmen Unit #230 were received by TraceAnalysis, Inc. on 2007-08-15 and assigned to work order 7081521. Samples for work order 7081521 were received intact at a temperature of 4.0 deg.C.

Samples were analyzed for the following tests using their respective methods.

Test	Method
Chloride (Titration)	SM 4500-Cl B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring, however, it may not pertain to the samples for work order 7081521 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Analytical Report

Sample: 133163 - #001 Working Pit 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	40157	Date Analyzed:	2007-08-16	Analyzed By:	MM
Prep Batch:	34753	Sample Preparation:	2007-08-16	Prepared By:	JS

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		362	mg/Kg	10	5.00

Sample: 133164 - #002 East Leg 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	40157	Date Analyzed:	2007-08-16	Analyzed By:	MM
Prep Batch:	34753	Sample Preparation:	2007-08-16	Prepared By:	JS

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		368	mg/Kg	10	5.00

Sample: 133165 - #003 West Leg 10'

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	40157	Date Analyzed:	2007-08-16	Analyzed By:	MM
Prep Batch:	34753	Sample Preparation:	2007-08-16	Prepared By:	JS

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		171	mg/Kg	10	5.00

Sample: 133166 - #004 Background

Analysis:	Chloride (Titration)	Analytical Method:	SM 4500-Cl B	Prep Method:	N/A
QC Batch:	40157	Date Analyzed:	2007-08-16	Analyzed By:	MM
Prep Batch:	34753	Sample Preparation:	2007-08-16	Prepared By:	JS

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<20.0	mg/Kg	4	5.00

Method Blank (1) QC Batch: 40157

QC Batch:	40157	Date Analyzed:	2007-08-16	Analyzed By:	MM
Prep Batch:	34753	QC Preparation:	2007-08-16	Prepared By:	JS

Parameter	Flag	MDL Result	Units	RL
Chloride		<3.25	mg/Kg	5

Laboratory Control Spike (LCS-1)

QC Batch: 40157
Prep Batch: 34753

Date Analyzed: 2007-08-16
QC Preparation: 2007-08-16

Analyzed By: MM
Prepared By: JS

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	100	mg/Kg	1	100	<3.25	100	90 - 110

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	LCSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	97.5	mg/Kg	1	100	<3.25	98	90 - 110	2	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) Spiked Sample: 133167

QC Batch: 40157
Prep Batch: 34753

Date Analyzed: 2007-08-16
QC Preparation: 2007-08-16

Analyzed By: MM
Prepared By: JS

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	¹ 380	mg/Kg	20	2000	262	6	84.6 - 117

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	² 349	mg/Kg	20	2000	262	4	84.6 - 117	8	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1)

QC Batch: 40157

Date Analyzed: 2007-08-16

Analyzed By: MM

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	99.3	99	85 - 115	2007-08-16

Standard (CCV-1)

QC Batch: 40157

Date Analyzed: 2007-08-16

Analyzed By: MM

¹Matrix spike recoveries out of control limits due to matrix spike being diluted out. Use LCS/LCSD to demonstrate analysis is under control.
²Matrix spike recoveries out of control limits due to matrix spike being diluted out. Use LCS/LCSD to demonstrate analysis is under control.

Report Date: August 17, 2007
API 30-015-34763

Work Order: 7081521
East Millmen Unit #230

Page Number: 5 of 5
Sec 14, T195S, R28E Eddy Co., NM

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	101	101	85 - 115	2007-08-16

LAB Order ID # 1081521

Page of

TraceAnalysis, Inc.

email: lab@traceanalysis.com

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Tel (915) 585-3443
Fax (915) 585-4944
1 (888) 588-34436015 Harris Pkwy, Suite 110
Ft. Worth, Texas 76132
Tel (817) 201-5260**Company Name:**

New Mexico Environmental Services

(Street, City, Zip)

PO Box 310 Hobbs NM 88242

Contact Person:

Ces Budaya

Invoice to:

(if different from above)

New Mexico Environmental Services

Project #:

AQ# 30-DIS-34763

Project Location (including state):

See 14, T193, Range Eddy Co. NM

East Milligan well #280

Sampler Signature: [Signature]

Project Name: [Signature]

E-mail: ces.budaya@nmes.com

Phone #: (505) 441-0403

Fax #: (505) 392-3015

E-mail: [Signature]

Project Name: [Signature]

Sampler Signature: [Signature]

Project Location (including state): [Signature]

Project Name: [Signature]

E-mail: [Signature]

Phone #: [Signature]

Fax #: [Signature]

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Sampler Signature: [Signature]

Project Location (including state): [Signature]

Project Name: [Signature]

E-mail: [Signature]

Phone #: [Signature]

Fax #: [Signature]

E-mail: [Signature]

ANALYSIS REQUEST
(Circle or Specify Method No.)

MTBE 8021B / 602 / 8260B / 624	TPH 8015 GRO / DRO / TVHC	PAH 8270C / 625	Total Metals Ag As Ba Cd Cr Pb Se Hg 6010B/200.7	TCLP Metals Ag As Ba Cd Cr Pb Se Hg	TCLP Semi Volatiles	TCLP Pesticides	RCI	GC/MS Vol. 8260B / 624	GC/MS Semi. Vol. 8270C / 625	PCBs 8082 / 608	Pesticides 8081A / 608	BOD, TSS, pH	Moisture Content	Turn Around Time if different from standard
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LAB #	FIELD CODE	# CONTAINERS	VOLUME / AMOUNT	MATRIX	PRESERVATIVE METHOD	SAMPLING DATE	TIME
133463	#001 working pit 10'	1	102	X	X	8/14	12:00
164	#002 - East Leg 10'	1	102	X	X	8/14	1:00
165	#003 West Leg 10'	1	102	X	X	8/14	2:00
166	#004 Background	1	102	X	X	8/14	3:00

LAB USE ONLY	REMARKS:
Intact ☒ Y / N	
Headspace ☒ Y / N	
Temp ☒ Y / N	
Log-In-Review ☒ M.M.	
Carrier #	Cally In

Relinquished by:	Date:	Time:	Received by:	Date:	Time:
Ces Budaya	8/14/07	7:00am	[Signature]	8/15/07	am
Relinquished by:	Date:	Time:	Received by:	Date:	Time:
[Signature]	8/14/07	7:00am	[Signature]	8/15/07	am
Relinquished by:	Date:	Time:	Received by:	Date:	Time:
[Signature]	8/14/07	7:00am	[Signature]	8/15/07	am

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

ORIGINAL COPY

Ameristate Exploration LLC
East Millman Unit #230

1261' FNL 2514' FWL

S14 T19S R28E

Unit C Eddy Co.

API # 30-015-34763

08/09/2007



08/09/2007















