

APR 14 2008  
OCD-ARTESIA

Mr. Keith Cannon  
Drilling / Production Superintendent  
Harvey E. Yates Company  
PO Box 1933  
Roswell, New Mexico 88202

7 April 2008

Mr. Mike Bratcher  
OIL CONSERVATION DIVISION  
1301 West Grand Avenue  
Artesia, NM 88210

Re: Mesquite 2 State Com. No. 3 Pit Closure Delineation Evaluation  
S2 T18S R31E 1980' FSL and 1980' FEL of Eddy County, New Mexico  
API No.: 30-015-25452

Dear Mr. Bratcher:

Nadel & Gussman HEYCO (NGH) understands that the New Mexico Oil Conservation Division (NMOCD) desires a delineation of the hydrocarbon concentrations on the Mesquite 2 State Com. No. 3 production pit down to 5,000 mg/K prior to obtaining permission for the type of closure, which shall be acceptable to the State. Our current laboratory analyses show chloride levels at 600 mg/K in the walls and 2910 mg/K in the main pit area with TPH DRO values at 8,410 mg/K and no detectable TPH GRO.

Therefore, NGH shall bore a hole adjacent to the pit, obtain delineation samples and provide documentation to the NMOCD via email once Trace Analytical Laboratory has provided the analytical results. Samples shall be obtained until 5,000 mg/K levels of DRO can be verified in the soil concentrations and then drilling shall continue and samples taken until this level of TPH DRO is shown to be consistent at least 5 feet below the initial 5,000 mg/K concentration levels. Since this pit is very mature and in all likelihood, sealed off from the surrounding environment, it is anticipated that the TPH DRO shall reach the 5,000 mg/K levels rather quickly.

NGH intends to conduct the infield analysis on Monday, April 14<sup>th</sup> in the afternoon. NGH also understands it is required to haul all material above the 5,000 mg/K level to a disposal facility.

Please advise should you have questions by phoning (575-626-1936).

Sincerely,



Keith Cannon

Enclosure: Laboratory data

Accepted for record  
NMOCD

APR 15 2008

## Summary Report

Keith Cannon  
Nadel & Gussman Heyco, LLC  
P.O. Box 1936  
Roswell, NM, 88202

Report Date: March 28, 2008

Work Order: 8032717



Project Name: Mesquite 2 State Com. #2

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
154893	Pit Center for TPH	soil	2008-03-25	13:00	2008-03-27

Sample - Field Code	TPH DRO DRO (mg/Kg)	TPH GRO GRO (mg/Kg)
154893 - Pit Center for TPH	8410	<50.0

## Summary Report

Keith Cannon  
Heyco

Roswell, NM,

Report Date: February 28, 2008

Work Order: 8022720



Project Name: Mesquite 2 State #3

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
151850	Floor Composite	soil	2008-02-06	11:00	2008-02-27
151851	Wall Composite	soil	2008-02-06	11:40	2008-02-27

**Sample: 151850 - Floor Composite**

Param	Flag	Result	Units	RL
Chloride		2910	mg/Kg	5.00

**Sample: 151851 - Wall Composite**

Param	Flag	Result	Units	RL
Chloride		228	mg/Kg	5.00