

homeowner house renovation program. It allows people to borrow money without interest from the state to bring their houses up to code, Ron Goet-zinger with the city's community development department said. Improvements can be made to the home's roof, heat-

ing system, plumbing, or other major systems, he said.

The money comes from the Department of Housing and Urban Development. The New Mexico Finance Authority manages the money. The city is

responsible for matching up homeowners with the loan money, and Goetzingler inspects the houses to verify that the home is in need of improvements. The city also sends out requests for bids from contrac-

loan. As the money is repaid, the goal of the program is to loan out more money, Goet-zinger said.

While the program changes every year, there is about \$250,000 available this year. Goetzingler estimates that about 10 homes can be fixed. In order

zinger said.

The city will hold an informational meeting Thursday at 7 p.m. at the Civic Center to discuss the loan program. Goet-zinger strongly suggests those interested in applying for the loan attend the meeting.

Information: (505) 599-1284.

## OIL & GAS

# EPA says oil operators in violation, local owners refuse to respond

MICHELLE FREEMAN  
BUSINESS EDITOR

The Environmental Protection Agency has proposed fines on two oil companies for failing to file proper maintenance and monitoring reports on several oil wells on the Navajo reservation.

The organization is proposing to fine B.K. Petroleum of Farmington \$17,300 for failing to show the mechanical integrity of its wells, for failure to submit monitoring reports and failure to file plans showing how the wells might be abandoned and plugged if needed. It's also considering a penalty of \$15,344 against APA Development Inc. for some of the same violations, as well as failing to apply for an area permit or providing an operating plan. Both companies operate wells near Gallup at Many Rocks. APA operates six oil recovery wells and B.K. operates five.

The EPA had a Phoenix address for APA Development and sent a registered letter to the company, but has yet to hear from a company representative. Neither the Arizona or New Mexico state corporation commissions, had a listing for the company. According to the New Mexico Oil Conservation Division records, APA is owned by a Patrick Woosley with a Shiprock post office box address and a Cortez, Colo., phone number. When called, a recording stated the number was no longer in service. There was no listing for APA or Woosley with the phone company's information operators.

While the EPA does not have a phone number for the owner of B.K., it has sent letters to the company's post office box. According to the State Corporation Commission, the company is owned by Brad Walls and Terry Arnold with an address on Dustin Avenue. When contacted by The Daily Times,

Walls had no comment, saying "I don't know anything about it." Arnold could not be reached.

"It's basically a noncompliance situation," George Robin with the EPA said. Under the Safe Drinking Water Act, the companies are required to submit a variety of test results which show that the wells are structurally sound and operating properly, he said. This proves to the EPA that the wells are not leaking oil or other fluids into the ground water, he said.

The companies also need to submit a plan which shows how the wells will be plugged and abandoned once they are no longer producing, he said. "There is a proper way to do it (plug a well)," he said. They also have to show that they have set aside money guaranteeing that if the company should go bankrupt or dissolve, the wells will be taken care of properly.

In 1992, the B.K. wells failed to pass

the integrity tests, James Walker of the EPA said. The EPA never received notice that repairs were made to the wells or that the test were reperfomed in 1997 as required by law, he said.

While it's fairly common for small operators not to submit all the proper paperwork, the situation is usually resolved with a few phone calls or letters.

The EPA has tried to contact both companies for some time. While neither of the men would say how many times, they have attempted to reach them over a period of years and months. It's finally come to the point where they are fining them, something which isn't very common, Walker said.

Both B.K. and APA have 30 days to respond to letters notifying them of the proposed fines and request some type of negotiations. If the EPA doesn't hear from them, the organization can proceed with the penalty process.

field activity

West Refining  
ore National  
back structure  
be drilled to  
reparatory to  
s and market-

is reported to  
company, will  
operations on  
near future. It  
to dome was  
tion sale, and  
wells will be

New Mexico  
sociates, will  
chinery and  
ture immedi-  
paign will be  
re the first of  
y with a view  
ng equipment

perator, who  
in Texas and  
lop his hold-  
re.  
lated to the

## Gas prices

## Oil

# A - PLUS WELL SERVICE, INC.

P.O. BOX 1979  
FARMINGTON, NM 87499  
505-325-2627 • FAX: 505-325-1211

*Copy*

May 10, 2001

Oil Conservation Division  
State of New Mexico  
1000 Rio Brazos Road  
Aztec, NM 87410

Attn: Charlie Perrin



INVOICE #2353

Rig #1

For the remaining **10% of the base bid for the surface work** clean up in conjunction with the plug and abandonment of the wells done **under NMOC D Contract Number - 00-521-25-205.**

**And for the extra non-bid work** that has been completed for the above project and contract number.

**Envirotech**, as subcontractor to **A-Plus Well Service**, has competed the final 10% of the work described in detail in the attached **April 10, 2001 letter.**

Additionally, the extra non-bid work completed by **Envirotech** is described in the attached March 30, 2001 Invoice #6131.

## Cost Summary:

Envirotech, Customer Number 99042, Invoice # 6111a; \$ 7,583.00

Envirotech, Customer Number 99042, Invoice # 6131; \$ 19,626.84

Tax at 6.0625% \$ 1,189.88

\$ 20,816.72

THANK YOU

=====  
\$ 28,399.72

Accounting Correction

\$ <8.90>

=====

Total Due

\$ 28,390.82

*OK for Payment  
Charlie T Perrin  
5-14-2000*

# ENVIROTECH INC.

**PRACTICAL SOLUTIONS FOR A BETTER TOMORROW**

## Invoice

Customer # 99042  
Invoice # 6111a  
Invoice Date: 03/16/01  
Due Date: 04/15/01

A Plus Well Service  
Attn: William Clark  
PO Box 1979  
Farmington, NM 87401

Job # 99042-002  
Plugging 17 abandoned wells  
In San Juan and McKinley  
Counties, NMOCD  
Contract # 00-521-25-09036

Professional Services for the Period: 01/01/01 to 03/31/01

Contract Amount: \$75,825.00  
Percent Complete: 100.00%  
Fee Earned: \$75,825.00  
Prior Fee Billed: \$68,242.00

Current Fee Total: \$ 7,583.00

## Project Totals:

**Total Invoice Due: \$ 7,583.00**

All invoices are due upon receipt. A late charge of 1.5% will be added to any unpaid balance after 30 days.

*Page 2*

# ENVIROTECH INC.

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

April 10, 2001

A Plus Well Service

Attn: Bill Clark

P.O. Box 1979

Farmington, New Mexico 87499

Re: Cost breakdown for surface work at Santa Fe Barbs and Leggs and Nerdlihc Bullseye and Marcellina Well sites

Dear Bill:

The following is a break down of Envirotech's proposal for work at the referenced locations with a few comments on what was included at each site.

**Santa Fe Leggs #1 - \$23,330.70 (base)**

Work included demolition of building, burial of building concrete in the pit at the east side of the location, loosening soil at the wellhead, cutting and plugging risers 24" below grade, thin spread soil from tank battery at NW, removal of all trash, lumber pipe and debris, and re-contouring location prior to thin spreading contaminated soil.

**Santa Fe Leggs #2 - \$2,772.47 (base)**

Work included loosening soil at well head, re-contouring location, removal of lumber, debris, and garbage, and cutting and plugging risers on location and on pipe run to Barbs #1.

**Santa Fe Barbs #1 - \$1,124.71 (base)**

Work included trash run on and around location and cutting and plugging risers on location.

Work at the Nerdlihc site is detailed as follows:

**Bullseye Tank Battery - \$3,011.58 (base)**

Sample and close pit west of tank battery, remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Bullseye Well #7 - \$2,194.56 (base)**

Sample and close pit southwest of tank battery, remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

Page 3

**Bullseye Well #8 and Walker Dome #2 - \$354.89 (base)**

Bury concrete and pickup debris around location.

**Bullseye Well 1Y - \$2,153.52 (base)**

Sample and close pit south of wellhead, remove and plug risers, remove fencing, bird nets, remove vault at valve box NW corner of location, pickup and dispose of lumber, pipe, and debris.

**Bullseye Well #2 - \$171.07 (base)**

Trash run to pick up garbage on and around location.

**Bullseye Well #3 - \$3,867.48 (base)**

Sample and close two pits including a produced water pit west of the well head and a separator pit located east of the well head and road, remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Bullseye Well #10 - \$1,595.97 (base)**

Sample and close pit northeast of wellhead, remove and plug risers and anchors, remove fencing, pickup and dispose of lumber, pipe, and debris.

**Bullseye Wells #5/6 - \$9,042.52 (base)**

Sample and close pit at east side of location, remove several loads of production related pipe, fittings, debris for disposal, pickup and dispose several loads of garbage from shop and treat shop for hanta virus infection.

**Bullseye Well #16 - \$2,071.17 (base)**

Sample and close pit south of wellhead (north of road), remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Bullseye Well #12 - \$2,071.17 (base)**

Sample and close pit south of wellhead (north of road), remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

Page Three  
Cost Breakdown  
APA / Nerdlihc Well P&A

**Bullseye Well #13 - \$3,38.48 (base)**

Sample and close pit southwest of wellhead, remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Bullseye Well #5 - \$5,795.06 (base)**

Sample and close pit south of wellhead , remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Marcellina Well #1 - \$5,967.86 (base)**

Sample and close two pits including a produced water pit west the well head and a separator pit located northwest of the well head, remove and plug risers, remove fencing, bird nets, pickup and dispose of lumber, pipe, and debris.

**Marcellina #5 - \$1,178.82 (base)**

Sample and close pit located north of the well head, remove and plug risers, pickup and dispose of lumber, pipe, and debris.

**Marcellina #6 - \$925.56 (base)**

Sample and close pit located north of the well head, remove and plug risers, pickup and dispose of lumber, pipe, and debris.

General expenses included in base bid for project management and mobilization.  
\$5,059.26

The total amount of the base bid is \$75,825.00.

If you have further questions or comments regarding this project please feel free to contact us at 505-632-0615.

Sincerely,  
**Envirotech Inc.**



Harlan M. Brown  
Geologist / Hydrogeologist  
New Mexico Certified Scientist #083

(Page 5)

# ENVIROTECH INC.

**PRACTICAL SOLUTIONS FOR A BETTER TOMORROW**

Customer # 99042  
Invoice # 6131  
Invoice Date: 03/30/01  
Due Date: 04/29/01

A Plus Well Service  
Attn: William Clark  
PO Box 1979  
Farmington, NM 87401

Job # 99042-002  
Plugging 17 abandoned wells  
In San Juan and McKinley  
Counties, NMOCD  
Contract # 00-521-25-09036

Costs for extras to the base contract are detailed as follows (adjusted to reflect 8% agreement between A Plus and Envirotech ):

Santa Fe Leggs #1 - Transport and disposal of three loads of paraffin / bottom sediments and waste from the 10,000 barrel water tank. Material transported to Sundance Services at Eunice New Mexico.

|                                      | Cost            | Contract          |
|--------------------------------------|-----------------|-------------------|
|                                      | \$7,470.00      | <b>\$8,067.60</b> |
| Landfarm                             |                 |                   |
| *Excavator    5 hours at \$117.00/hr | \$585.00        |                   |
| *Loader      6 hours at \$85.00/hr   | \$510.00        |                   |
| Disc Mobe/Demobe                     | \$280.00        |                   |
| Disc Loader disc combo               | <u>\$170.00</u> |                   |
|                                      | \$1,585.00      | <b>\$1711.80</b>  |

Extra work at the Nerdlihc properties included the following:

|                        |                          |                 |
|------------------------|--------------------------|-----------------|
| Marcelina Well No. 1 - |                          |                 |
| Trackhoe               | 2 hours at \$117.00 / hr | \$234.00        |
| Loader                 | 1 hours at \$85.00 / hr  | <u>\$85.00</u>  |
|                        |                          | \$319.00        |
|                        |                          | <b>\$344.52</b> |
| Bullseye Well No. 5 -  |                          |                 |
| Trackhoe               | 3 hours at \$117.00 / hr | \$371.00        |
| Backhoe                | 3 hours at \$85.00 / hr  | <u>\$255.00</u> |

|  |                          |                 |                   |
|--|--------------------------|-----------------|-------------------|
|  |                          | \$626.00        | <b>\$676.08</b>   |
| Bullseye Main Tank Battery - (tank leaks at valves and lines, and separator pit) |                          |                 |                   |
| Trackhoe   | 5 hours at \$117.00 / hr | \$585.00        |                   |
| Loader   | 5 hours at \$85.00 / hr  | \$425.00        |                   |
| USEPA 8015 TPH / USEPA 8021 BTEX   |                          | <u>\$160.00</u> |                   |
|  |                          | \$1,796.00      | <b>\$1,939.68</b> |
| Bullseye Well No. 1Y - Leaks at tank and spill along wash                        |                          |                 |                   |
| Trackhoe   | 5 hours at \$117.00 / hr | \$585.00        |                   |
| Loader   | 3 hours at \$85.00 / hr  | \$225.00        |                   |
| USEPA 8015 TPH / USEPA 8021 BTEX   |                          | <u>\$160.00</u> |                   |
|  |                          | \$970.00        | <b>\$1,047.60</b> |
| Bullseye Well No. 3 - Produced water pit west side of location                   |                          |                 |                   |
| Trackhoe   | 3 hours at \$117.00 / hr | \$371.00        |                   |
| Loader   | 4 hours at \$85.00 / hr  | <u>\$340.00</u> |                   |
|  |                          | \$711.00        | <b>\$767.88</b>   |
| Bullseye Well No. 16 - Separator pit   |                          |                 |                   |
| Trackhoe   | 3 hours at \$117.00/hr   | \$371.00        |                   |
| Loader   | 2 hours at \$85.00/hr    | <u>\$170.00</u> |                   |
|  |                          | \$541.00        | <b>\$584.28</b>   |
| Bullseye Well No. 12 - Produced water pit  |                          |                 |                   |
| Trackhoe   | 3 hours at \$117.00/hr   | \$371.00        |                   |
| Loader   | 2 hours at \$85.00/hr    | <u>\$170.00</u> |                   |
|  |                          | \$541.00        | <b>\$584.28</b>   |
| Bullseye #5/6  |                          |                 |                   |
| Drum Disposal - two drums diesel and oil product                                 |                          | \$225.00        |                   |
| Drum Transport - Haz Vendor  |                          | <u>\$75.00</u>  |                   |
|  | Total                    | \$300.00        | <b>\$324.00</b>   |

Disc Landfarms at eight locations including the following: Marcellina #1, Bullseye #5, Bullseye Central Tank Battery, Bullseye #7 (CTB soil), Bullseye 1Y, Bullseye #3, Bullseye #12, and Bullseye #16. Rototill drainage below former tank site at Bullseye #1Y.

|                            |                 |                   |
|----------------------------|-----------------|-------------------|
| Equipment Transport        | \$420.00        |                   |
| Light tractor with Disc    | \$480.00        |                   |
| Two Laborers               | \$440.00        |                   |
| Pickup                     | \$ 95.00        |                   |
| Hydraulic drive rototiller | <u>\$110.00</u> |                   |
| Total                      | \$1,545.00      | <b>\$1,668.60</b> |



Environmental Scientist - sample eight landfarms at Nerdlihc and one landfarm at Santa Fe  
Leggs and return eight samples for analysis (Bullseye Central Tank Battery and Bullseye #7 will  
be composited because the material is from the same location.)

|                                   |                    |             |
|-----------------------------------|--------------------|-------------|
| Pickup                            | \$95.00            |             |
| Environmental Scientist - Field   | \$570.00           |             |
| USEPA 8015 - TPH (8)              | \$552.00           |             |
| USEPA 8021 - BTEX (8)             | <u>\$552.00</u>    |             |
| Total                             | \$1,769.00         | \$1,910.52  |
| Grand total of remediation extras | <u>\$18,173.00</u> | \$19,626.84 |

*Page 8*