

ENVIROTECH INC.

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

July 12, 2001

A Plus Well Service
Attn: Bill Clark
P.O. Box 1979
Farmington, NM 87499



Re: Closure report for APA Woosley well locations at Santa Fe Leggs, Santa Fe Barbs and Nerdlihc Company sites in San Juan County and McKinley County, New Mexico

Dear Mr. Clark:

Envirotech Inc. has completed surface cleanup and pit remediation for well sites included in IFB 00-521.25-09036, "Plugging of Seventeen Wells in San Juan County and McKinley Counties". Closure documentation for pits and contaminated soil encountered during the cleanup project are attached. The following is a summary of other cleanup activities conducted by Envirotech Inc. under a sub-contract to A Plus Well Services.

Other remediation activity associated with this project included removal of all production equipment and related appurtenances, removal of garbage, litter, and production related piping and debris. Removal of production equipment (pump jacks, separators, dehydrators, reboilers, and tankage) was handled through a salvage agreement between A Plus Well Service and BC&D Oil and Gas. Other recycling, disposal, and remediation activities conducted with this project are as follows:

Santa Fe Barbs #1 - Minimal on-site work. Pickup all garbage within 150' of well pad. Remove and plug risers on water line from Santa Fe Leggs #1 to Santa Fe Barbs #1. There were no pits on this location. Minor contamination at the wellhead was loosened and spread on location.

Santa Fe Leggs #2 - Remove lumber, packing materials, cable, pipe and fitting debris within 150' of the location for disposal. Contour well pad by re-sloping pad margins. There were no pits on this location. Minor petroleum hydrocarbon contamination at the wellhead was loosened with a backhoe and spread on location.

Santa Fe Leggs #1 - The building and the tank housing the water injection related equipment was removed by A Plus Well Service personnel. Removal of tankage at this location resulted in two pits containing heavy petroleum hydrocarbon bottoms. One load of "tar" like hydrocarbon bottoms was generated at the tank battery on the northwest corner of the location. Three loads of "tar" were generated when the produced water tank at the injection facility was demolished. These four loads of exempt material were shipped to Sundance Services, Eunice, New Mexico for recycling of petroleum hydrocarbon

constituents. Ambient air temperatures were below 45° when the loads were shipped. Low temperatures made it possible to load the thick material into poly lined 20 cubic yard end dump trailers for transportation. Bills of Lading documenting transport of the material by Envirotech and manifests documenting receipt of 80 cubic yards of heavy petroleum hydrocarbon tank bottoms by Sundance Services are attached.

Contaminated soil in the bottom of the produced water pit, from the tank battery secondary containment, and from oil staining in the vicinity of the produced water injection facility was loosened and moved onto level ground on the well pad. The material was thin spread and sampled to verify that contaminants do not exceed regulatory levels.

Concrete floors, footings, and tank pad were removed and buried in the produced water pit located at the east boundary of the Santa Fe Leggs #1 location.

Approximately three loads of flow lines, metal debris, and fencing materials were delivered to San Juan Recycling, Farmington, New Mexico as scrap metal for recycling. Another three loads of debris including lumber, paper, cardboard, rubber and plastic materials, and misc. debris were delivered to Waste Management of New Mexico's San Juan Regional Landfill for disposal.

Nerdlihc Company well sites. Marcelina #1, Marcelina #5, Marcelina #6, Bullseye Tank Battery, Bullseye #1Y, Bullseye #3, Bullseye #5/6, Bullseye #7, Bullseye #8, Bullseye #10, Bullseye #12, Bullseye #13, Bullseye #15, Bullseye #16, and Walker Dome #2.

Cleanup at these locations was completed by "task" in order to minimize duplicated efforts. The first phase of work was to excavate test pits in each accessible pit to determine whether additional remediation was necessary. Where visible indications of petroleum hydrocarbon contamination were obvious, sampling was delayed until an NMOCD inspector could be consulted. Fencing and bird netting were left in place until laboratory results were reviewed. Suspect pits were re-visited with Mr. Denny Foust, NMOCD Field Inspector. Additional remediation at some of the pits was conducted at his direction. Soil samples were collected to verify closure of the pits. Soils excavated during pit remediation were placed in on-site landfills, thin spread, and tilled. Closure sampling on the on-site facilities was conducted on June 27, 2001 to verify that soils placed on the surface were below regulatory limits for Total Petroleum Hydrocarbons and BTEX constituents.

Work on the fifteen (15) APA Woosley, Nerdlihc Company well sites was conducted simultaneously by task. Fencing and bird netting was removed from each site. Production flow lines were removed when near the surface and cut off and capped 24" below the surface when buried. Pits were excavated and backfilled as necessary following receipt and review of analytical results. Pit and well locations were contoured to match natural

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A Plus / NMOCD
APA.Woosley P&A Project

site conditions and facilitate natural non-erosive drainage. Backfill material was obtained on-site at each location to achieve suitable lines and grades on the well locations. Risers on produced water flow lines were removed and capped.

Seven loads of metal materials, averaging approximately 5000 pounds each, were transported to San Juan Recycling for recycling of metal debris. Two loads of PVC pipe were transported to WMI's San Juan Regional landfill as well as two loads of "other" refuse including lumber, cardboard, empty cans, filters, damaged fittings, and misc. debris.

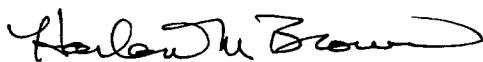
The Nerdlihc lease included a field storage building located near the Bullseye 5/6 well location. Garbage was removed from this structure and the building cleaned and disinfected for possible "Hanta Virus" contamination. This work was conducted by Envirotech personnel in Level C personnel protective equipment.

Two partially full drums containing "unknown" petroleum hydrocarbon liquids were found on the Bullseye 5/6 well location. The contents of the drums were screened by Mesa Oil Recycling and accepted for recycling with other used oil products. A copy of their waste manifest documenting acceptance of the product for recycling is attached.

Note that production related debris including pipe, empty cans and containers, lumber, and other refuse was removed from the well locations, within 150' of the well locations, and within 150' of the access roads traversing the lease.

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

E-mail/ hbrown@envirotech-inc.com

cc: 2 copies to:
EMNRD NMOCD, Denny Foust, 1000 Rio Brazos, Aztec, New Mexico 87410



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 Fax (505) 334-6170

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

CERTIFICATE OF WASTE STATUS

1. Generator Name and Address: NMOCD - A.P.A. Woodslay. 1000 Rio Brazos Rd Aztec, New Mexico 87410	2. Destination Name: Sundance Services P.O.B. 1737 Eunice, NM 88231
3. Originating Site (name): SANTA FE LEGGS #1 "O" SWSE, Sec 11, T21N, R10W SAN Juan County, NM. Attach list of originating sites as appropriate	Location of the Waste (Street address &/or ULSTR):
4. Source and Description of Waste Asphaltic Oily Bottoms From a produced water tank.	

I, HARLAN M. BROWN representative for:
(Print Name)
NMOCD & A Plus Well Service do hereby certify that,
according to the Resource Conservation and Recovery Act (RCRA) and Environmental Protection Agency's July,
1988, regulatory determination, the above described waste is: (Check appropriate classification)

☒ EXEMPT oilfield waste ☐ NON-EXEMPT oilfield waste which is non-hazardous by characteristic
analysis or by product identification

and that nothing has been added to the exempt or non-exempt non-hazardous waste defined above.

For NON-EXEMPT waste the following documentation is attached (check appropriate items):

☐ MSDS Information ☐ Other (description):
☐ RCRA Hazardous Waste Analysis
☐ Chain of Custody

This waste is in compliance with Regulated Levels of Naturally Occurring Radioactive Material (NORM) pursuant
to 20 NMAC 3.1 subpart 1403.C and D.

Name (Original Signature): Harlan M. Brown

Title: Geologist / Hydrogeologist

Date: 01-22-01

Sundance Services, Inc.

P.O. Box 1737 ★ Eunice, NM 88231
(505) 394-2511

NC 36694

LEASE OPERATOR/SHIPPER/COMPANY: San Juan County
LEASE NAME: Santa Fe #1
TRANSPORTER COMPANY: ENVirotech TIME: _____ AM/PM
DATE: 1-16-01 VEHICLE NO.: 555 DRIVER NO.: _____

CHARGE TO: San Juan County

TYPE OF MATERIAL

☐ Production Water ☐ Drilling Fluids ☐ Completion Fluids
☐ Tank Bottoms ☐ Contaminated soil ☐ C-117 No.: _____
☐ Other Material: _____ ☐ BS&W Content: _____

Description: oil/dirt

VOLUME OF MATERIAL ☐ BBLs. _____ : 11 YARD 20 : ☐ _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Camilio D'Amico
(SIGNATURE)

FACILITY REPRESENTATIVE: Kelly Roach
(SIGNATURE)

Sundance Services, Inc.
P.O. Box 1737 • Eunice, NM 88531
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY:

LEASE NAME: *SANTA Fe*

TRANSPORTER COMPANY: *EMVIRTECK*

TIME: AM/PM

DATE: *01/23/01*

VEHICLE NO.: *555*

DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

☐ Production Water

☐ Drilling Fluids

☐ Completion Fluids

☐ Tank Bottoms

☐ Contaminated soil

☐ C-117 No.: _____

☐ Other Material:

☐ BS&W Content: _____

Description: *Oil & dirt*

VOLUME OF MATERIAL ☐ BBLs. _____ :

☐ YARD *20* : ☐ _____

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DRIVER: *Cirilia Bruniello*

(SIGNATURE)

FACILITY REPRESENTATIVE: *Thomas Horca*

(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

Sundance Services, Inc.

P.O. Box 1737 ★ Eunice, NM 88231
(505) 394-2511

N2 36959

LEASE OPERATOR/SHIPPER/COMPANY: SANTA FE

LEASE NAME:

SAN JUAN COUNTY

TRANSPORTER COMPANY:

ENUELO TECH

TIME:

AM/PM

DATE: 1-26-01

VEHICLE NO.: 549

DRIVER NO.:

CHARGE TO:

SANTA FE

TYPE OF MATERIAL

☐ Production Water

☐ Tank Bottoms

☐ Other Material:

☐ Drilling Fluids

☒ Contaminated soil

☐ BS&W Content: _____

☐ Completion Fluids

☐ C-117 No.: _____

Description: 0.0

VOLUME OF MATERIAL ☐ BBLs. _____ :

☐ YARD 20 :

☐ _____

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DRIVER: [Signature]

(SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]

(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

Sundance Services, Inc.

P.O. Box 1737 ★ Eunice, NM 88231
(505) 394-2511

NC 36958

LEASE OPERATOR/SHIPPER/COMPANY: SANTA FE

LEASE NAME:

SAN JUAN COUNTY

TRANSPORTER COMPANY:

ENVIRIC TECH

TIME:

AM/PM

DATE: 1-26-01 VEHICLE NO.: 555

DRIVER NO.:

CHARGE TO:

SANTA FE

TYPE OF MATERIAL

☐ Production Water

☐ Drilling Fluids

☐ Completion Fluids

☐ Tank Bottoms

☐ Contaminated soil

☐ C-117 No.:

☐ Other Material:

☐ BS&W Content: _____

Description: O.D.

VOLUME OF MATERIAL ☐ BBLs. : ☐ YARD 20 : ☐

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DRIVER:

(SIGNATURE)

FACILITY REPRESENTATIVE:

(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

JOB # 90420212729

PHONE: (505) 632-0615 • 5796 U.S. HIGHWAY 64 • FARMINGTON, NEW MEXICO 87401

DATE June 15 - 01

[illegible]

"I certify the material hauled from the above location has not been added to or mixed with, and is the same material received from the above mentioned Generator, and that no additional materials have been added."

COMPANY Envirotech

SIGNATURE

NAME _____

DATE Jan 15-01

ENVIKO TECHNOLOGY

Bill of Lading

PHONE: (505) 632-0615 • 5796 U.S. HIGHWAY 64 • FARMINGTON, NEW MEXICO 87401

MANIFEST

COMPLETE DESCRIPTION OF SHIPMENT

NO.

POINT OF ORIGIN

DESTINATION

MATERIAL

GRID

YDS	BBLS
-----	------

COMPANY

TRK#

TIME

DRIVER SIGNATURE

Garfield #11
Garfield County

Handwritten: Bennett

Contest
and Challenge

20

Emmotech 555

Antonio Trujillo

RECEIVED JAN 24 2001

BILLED JAN 31 2007

"I certify the material hauled from the above location has not been added to or mixed with, and is the same material received from the above mentioned Generator, and that no additional materials have been added."

NAME

COMPANY Emerald Echo LLC

SIGNATURE

Wanda Bryant

DATE 1-23-01



MESA

RECYCLING MANIFEST / RECEIPT

86481

ENVIRONMENTAL

A DIVISION OF MESA OIL, INC.

DATE 6/11/01

SERVICE CALL # 224812

GENERATOR

Generator Name Federal Environmental Associates Inc Contact _____

Pickup Address 5928 US Hwy 64 Phone # _____

City Farmington State NM Zip 87401

Billing Mailing Address ENVIROTECH INC 5796 US Hwy 64

City Farmington State NM Zip 87401

RECYCLING SERVICE	Price / Unit	Quantity	Total
USED OIL REMOVAL	<u>00/gal</u>	<u>87</u>	<u>0</u>
OILY WATER REMOVAL			
USED ANTIFREEZE REMOVAL			
USED OIL FILTER REMOVAL			
FREIGHT			

SPECIAL INSTRUCTIONS _____ SALES TAX 0

TOTAL DUE
MESA OIL. \$ N/C

FORM OF PAYMENT

PAID CASH: _____ CREDIT APP.# _____ MC / VISA _____

PAID CHECK: _____ APPROVED BY _____ P.O.# _____

GENERATORS CERTIFICATION: This material is described to the best of my ability. This material has not been mixed with PCB's or hazardous waste identified in 40 CFR Part 261. Used oil filters meet the exclusion requirements of 40 CFR Part 261.4. I acknowledge the accuracy of the total due on this receipt. If to be charged on account I understand that an invoice will follow with terms of NET 30 DAYS.

x Harold M. Brown Printed / Typed Name x Harold M. Brown Signature 6/11/01 Date

TRANSPORTER, STORER AND RECYCLER

MESA OIL, INC. - PLANT
Belen, NM
EPA# NMD 0000096024
TEXAS TWC ID# 40849

MESA OIL, INC. - PLANT
Golden, CO
EPA# COD 983772955

Mailing Address:
Mesa Oil, Inc.
7239 Bradburn Blvd.
Denver, CO 80030
(303) 426-4777

IN CASE OF
SPILL CONTACT:
MESA OIL, INC.
1-800-USED-OIL

TRANSPORTER ACKNOWLEDGMENT OF RECEIPT OF MATERIALS:
I certify materials have been tested and are below 1,000 PPM halogens.

D.O.T. REQUIREMENT - MAXIMUM LOAD 7000 GALLONS
USED PETROLEUM OIL N.O.S.

Steve Heffenger Printed / Typed Name Steve Heffenger Signature 6/11/01 Date

TREATMENT FACILITY OPERATOR:

The described materials were handled by me, the treatment facility named above, and were accepted.

N. EMBRES Printed / Typed Name (Signature) Signature 6/22/01 Date

