





# PHOENIX ENVIRONMENTAL LLC

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June 15, 2006

Bold Energy, LP  
415 W. Wall, Suite 500  
Midland, Texas 79701

Attn: Mr. Donny Money  
Production Superintendent

**RE: Work Plan to Clean Up the Antelope Ridge Unit # 1G Located in Sec. 22, T23S, R34E of Lea Co., New Mexico**

Dear Mr. Money:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Bold Energy, LP for the opportunity to provide our professional services on the site remediation of the above listed site that is located in Lea County.

If you have any questions and/or need more data in regards to this project please call at any time.

Sincerely,

Allen Hodge, REM  
Sr. Project Manager  
Phoenix Environmental LLC



## Summary/Overview

The Antelope Ridge Unit # 1G site should be completed and remediated in accordance with the standards of the New Mexico Oil Conservation Division (NMOCD) guidelines for cleanup of leaks and spills. It is our understanding that any potential contamination from the site was a result of activities associated with the production of oil and gas.

The potential contaminants of concern are mid to high-level concentrations of produced water that were lost due to a reverse unit steel pit that ran over while working over the well and were absorbed by the surrounding near-surface soils. All of the fluid that was lost stayed on location

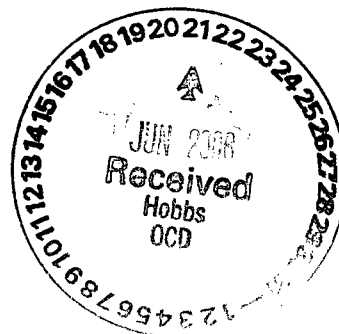
The NMOCD regulates the remediation and disposal of non-domestic wastes resulting from the Oil and Gas industry. In addition, the NMOCD administers all Water Quality Act regulations pertaining to surface and ground water except sewage for the oil and gas industry. This authority includes the disposition of non-domestic, non-hazardous wastes at Oil and Gas facilities.

The Antelope Ridge Unit # 1G site is located in Sec. 22, T23S, and R34E in Lea County New Mexico. The site has a GPS reading of 32° 17' 32.0" N and 103° 27' 20.1" W with an elevation of 3,404' ASL. The lands primary use is domestic pasture for ranching and the production of oil and gas.

The ground water depth data available for this section from the state engineer's office showed the depth to ground water to be in the 280' range.

Pursuant to the standards of the NMOCD guidelines for clean up of leaks and spills, the clean up level for this site will be at <5,000ppm of TPH and <50ppm for BTEX. The NMOCD has also asked that the chlorides be less than 250ppm for clean up.

The following scope of work that has been requested for the listed site was based on data from our site visit on 6-14-2006 and the requirements of the NMOCD for site clean up.



## **Scope of Work / Work Plan**

1. First Phoenix will call New Mexico One-Call for line spot clearance before any excavation at the site is started.
2. Phoenix will mobilize to the site located at Antelope Ridge equipment and personnel necessary to start and complete the site remediation as required, getting the site back into regulatory compliance.
3. First the site will be cleared of brush and debris and a staging area set up for site control and safety.
4. Impacted soils at the site will then be excavated, loaded, transported and disposed of at an NMOCD approved and permitted facility that can take waste from the Oil and Gas Industry.
5. Phoenix will field screen the site during the excavation and once the TPH and CL has dropped below clean up requirements final samples will be taken and sent to a third party lab for analysis.
6. Once all of the remediation criteria have been met for site closure and regulatory compliance, the site will be backfilled with clean backfill. The site will be contoured with a slit crown to prevent the ponding of any water.
7. Once all of the closure criteria have been met, a final closure report will be prepared by Phoenix. This report will include a summary of remediation operations, findings on-site and lab analysis, site maps and project photos.

If you have any questions and/or need more data in regards to this project please call 505-631-8314 at any time.

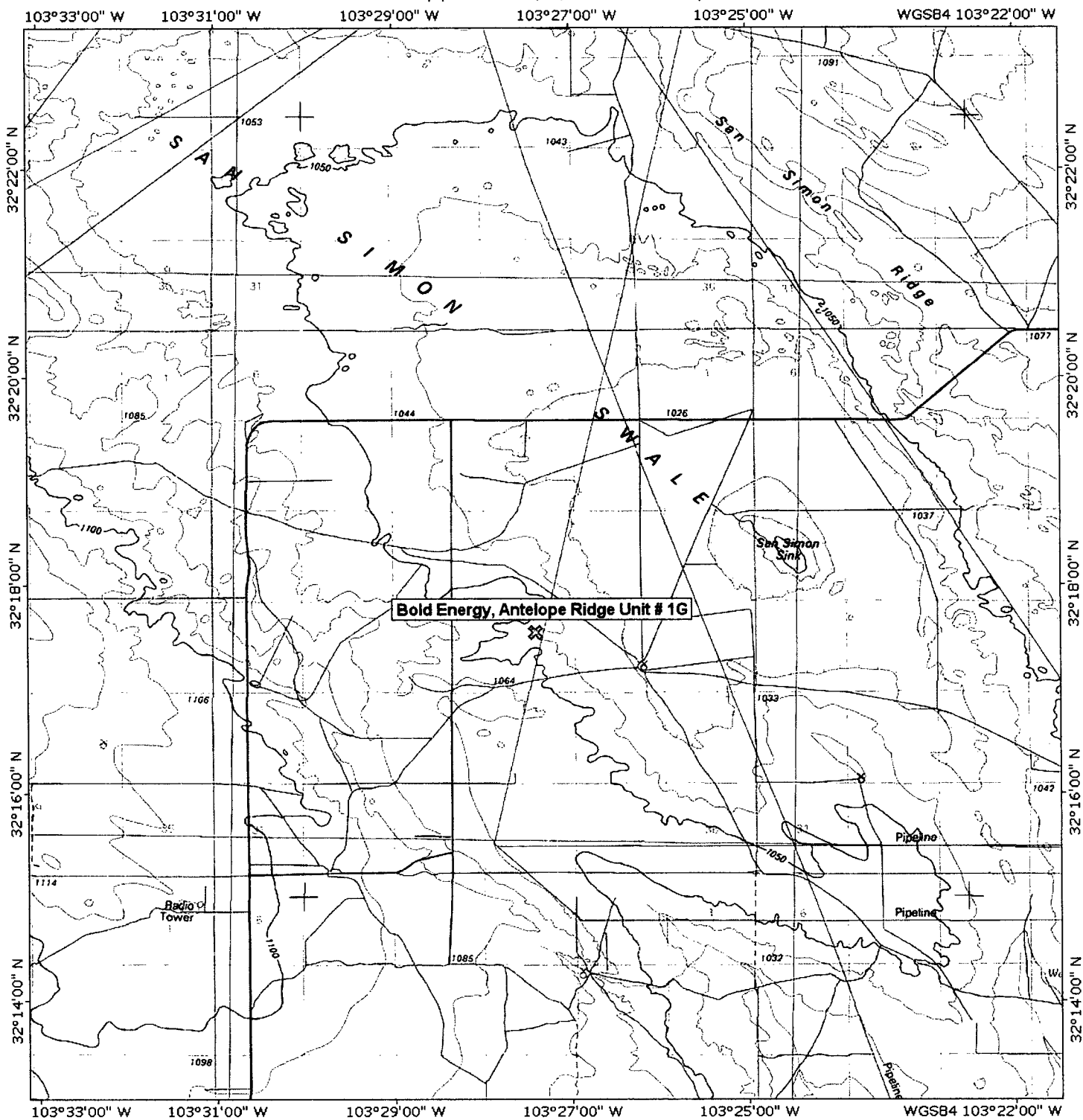
Sincerely,



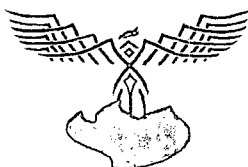
Allen Hodge, REM  
Sr. Project Manager  
Phoenix Environmental LLC



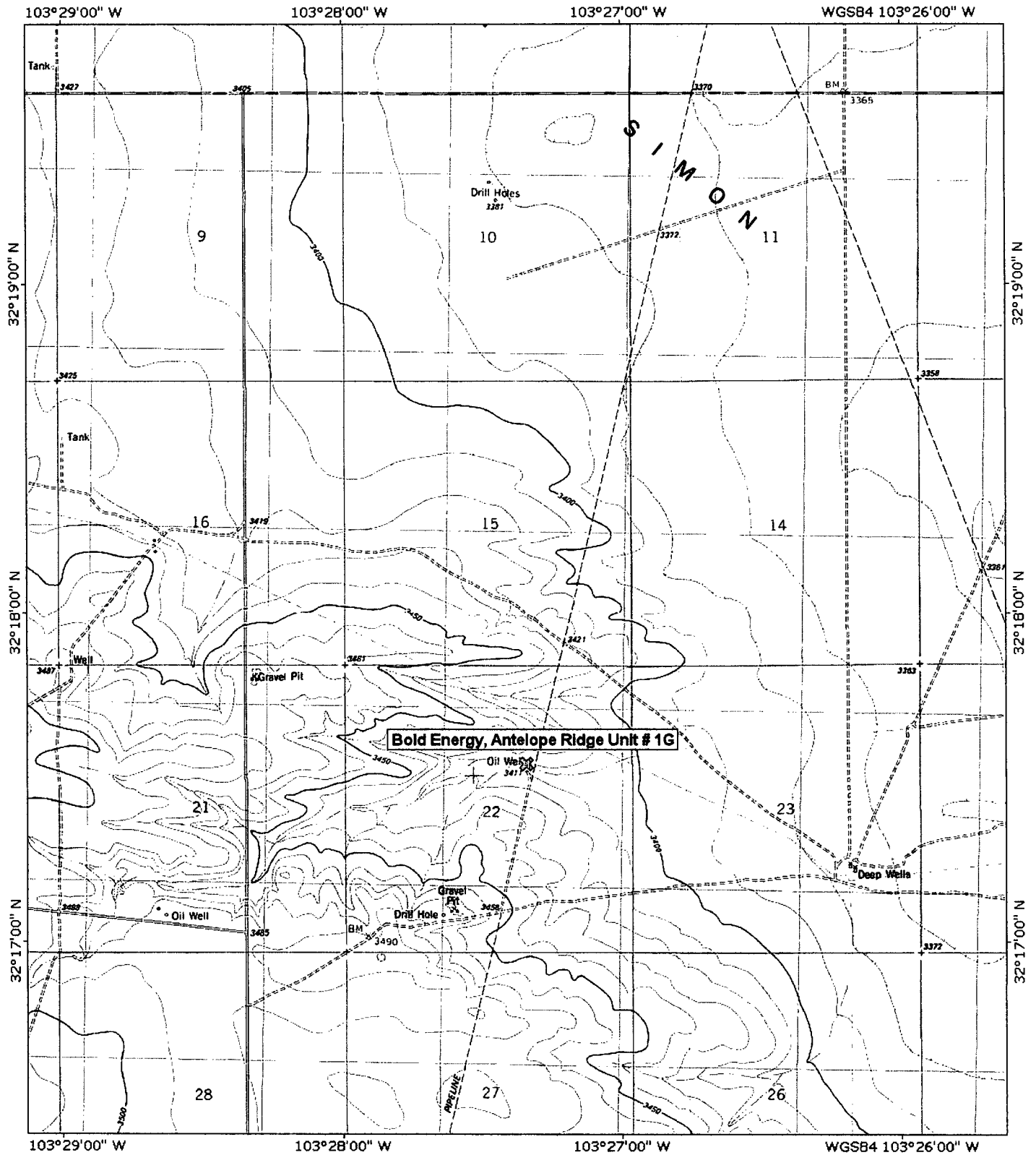
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