

RECEIVED

District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos 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-141  
Revised October 10, 2003  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

OPERATOR  Initial Report  Final Report

Name of Company	<b>Liquid Resources Services LLC</b>	Contact	<b>David Pyeatt</b>
Address	<b>P O Box 730, Hobbs, NM 88241</b>	Telephone No.	<b>(575) 392-1547</b>
Facility Name	<b>Hobbs St 3 SWD</b>	Facility Type	<b>SWD</b>

Surface Owner	<b>Same</b>	Mineral Owner		Lease No.	
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LOCATION OF RELEASE

API # 30-025.23621-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<b>B</b>	<b>29</b>	<b>18</b>	<b>38</b>	<b>990</b>	<b>North</b>	<b>1830</b>	<b>East</b>	<b>Lea</b>

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release	<b>Tank Bottom Rotted Out</b>	Volume of Release	<b>N/A</b>	Volume Recovered	
Source of Release	<b>Tanks</b>	Date and Hour of Occurrence	<b>N/A</b>	Date and Hour of Discovery	<b>8/3/09</b>
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	<b>Geoffery Leking</b>		
By Whom?	<b>George Parchman</b>	Date and Hour	<b>8/3/09</b>		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse			

If a Watercourse was Impacted, Describe Fully.\*  
  
**GW @ 25'**

Describe Cause of Problem and Remedial Action Taken.\*  
**Old tanks on location, several years old, being removed. Bottom rotted out. Fluid leached out into formation, several feet, around tanks.**

Describe Area Affected and Cleanup Action Taken.\*  
**5 samples taken in area taken out**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations

Signature:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name	<b>DAVID A. PYEATT</b>	Approved by District Supervisor:	
Title:	<b>Co-Manager</b>	Approval Date:	<b>08/07/09</b> Expiration Date: <b>10/06/09</b>
E-mail Address:	<b>david@ewtitle.com</b>	Conditions of Approval:	<b>EXCAVATE AT N. END W SIDE, MIDDLE OF PIT AND N END EAST SIDE WHERE C1S STILL EXCEED 250PPM. RESAMPLE FOR CLEAN. SUBMIT FINAL C-141 BY 10/06/09. MAY NEED TO AUGUR FOR FINAL SAMPLE</b>
Date:	<b>8-6-09</b>	Phone:	<b>575-393-7706</b>

Attached   
IRP-09-8-2258

\* Attach Additional Sheets If Necessary

**FBRL0921952139**



August 7, 2009

George Parchway  
Liquid Resources, LLC.  
P.O. Box 730  
Hobbs, NM 88241

Re: Soil Samples

Enclosed are the results of analyses for sample number H17922, received by the laboratory on 08/05/09 at 9:00 am.

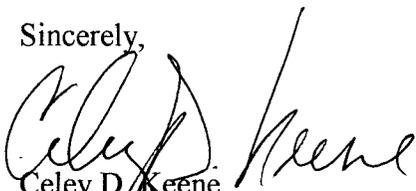
Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,



Celey D. Keene  
Laboratory Director



ANALYTICAL RESULTS FOR  
 LIQUID RESOURCES LLC  
 ATTN: GEORGE PARCHMAY  
 P.O. BOX 730  
 HOBBS, NM 88241

Receiving Date: 08/05/09  
 Reporting Date: 08/07/09  
 Project Number: NOT GIVEN  
 Project Name: NOT GIVEN  
 Project Location: NOT GIVEN

Sampling Date: 08/05/09  
 Sample Type: SOIL  
 Sample Condition: INTACT @ 25°C  
 Sample Received By: CK  
 Analyzed By: CK/ZL/HM

LAB NO.	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	CI* (mg/kg)
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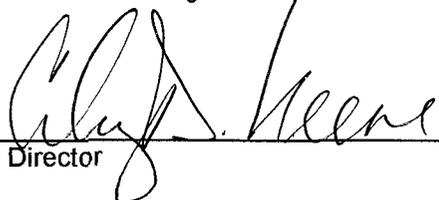
ANALYSIS DATE:	08/06/09	08/06/09	08/05/09	08/05/09	08/05/09	08/05/09	08/05/09	08/05/09
H17922-1 S. END WEST SIDE	<10.0	25.4	<0.050	<0.050	<0.050	<0.300	<0.300	64
H17922-2 N. END WEST SIDE	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	<0.300	2,280
H17922-3 MIDDLE OF PIT	<10.0	84.5	<0.050	<0.050	<0.050	<0.300	<0.300	416
H17922-4 S. END EAST SIDE	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	<0.300	208
H17922-5 N. END EAST SIDE	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	<0.300	512
Quality Control	506	611	0.047	0.048	0.048	0.144	0.144	500
True Value QC	500	500	0.050	0.050	0.050	0.150	0.150	500
% Recovery	101	122	94.0	96.0	96.0	96.0	96.0	100
Relative Percent Difference	2.4	1.8	1.9	1.9	1.9	1.8	1.8	<0.1

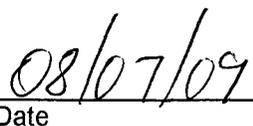
METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B. CI-: Std. Methods 4500-CI-B.

\*Analyses performed on 1:4 w:v aqueous extracts.

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE, AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.

H17922-1 DRO surrogate was outside historical limits due to matrix interference

  
 Lab Director

  
 Date

H17922 BTEXTPHCL LR

PLEASE NOTE **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Page \_\_\_\_ of \_\_\_\_

Company Name: <b>Liquid Resources LLC</b>	<b>BILL TO</b>	<b>ANALYSIS REQUEST</b>											
Project Manager: <b>George PARCHMAN</b>	P.O. #:												
Address: <b>P.O. 730</b>	Company:												
City: <b>Hobbs</b> State: <b>NM</b> Zip: <b>88241</b>	Attn: <b>Sample</b>												
Phone #: <b>392-1547</b> Fax #:	Address:												
Project #: Project Owner: ✓	City:												
Project Name:	State: Zip:												
Project Location:	Phone #:												
Sampler Name: <b>PARCHMAN</b>	Fax #:												

FOR LAB USE ONLY		GRAB OR (C)OMP	# CONTAINERS	MATRIX					PRESERV.		SAMPLING		DATE	TIME	BTEX	TPH 2015	C-
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER					
H17922	1 S. End West side	1		✓								8/5/09	8:30	✓	✓	✓	
	2 N. End West side	1		✓										✓	✓	✓	
	3 Middle of Pit	1		✓										✓	✓	✓	
	4 S. End EAST side	1		✓										✓	✓	✓	
	5 N. End EAST side	1		✓										✓	✓	✓	

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Sampler Relinquished:	Date:	Received By:	Phone Result:	<input type="checkbox"/>	No	Add'l Phone #:
	Time:		Fax Result:	<input type="checkbox"/>	No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:			
<i>George Parchman</i>	8-5-09	<i>Chick Keene</i>	Results by Friday AM			
Delivered By: (Circle One)	Time:	Temp.				
Sampler - UPS - Bus - Other:	0900	75°C	Sample Condition			
			Cool Intact			
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
			CHECKED BY: (Initials)			
			<i>CK</i>			

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

INVOICE

BILL TO  
LIQUID RESOURCES, LLC  
GEORGE PARCHWAY  
PO BOX 730  
HOBBS, NM 88241

DATE : 8/7/2009  
INVOICE NO. : H17922

LAB NUMBER : H17922  
DESCRIPTION : NONE GIVEN  
NO. SAMPLES : 5  
LOG IN DATE : 8/5/2009

TERMS: DUE UPON RECEIPT  
P.O. NO. : NONE GIVEN

QUANTITY	DESCRIPTION	PER SAMPLE	TOTAL
5	BTEX-MTBE 8021B SOIL	60.00	300.00
5	TPH METHOD 8015 MODIFIED SOIL DRO & GRO	90.00	450.00
5	CHLORIDES IN SOIL	25.00	125.00

**SUBTOTAL :** \$875.00

**SALES TAX : (6.6875%)** \$58.52

**PLEASE PAY THIS AMOUNT :** \$933.52

NOTE- Cardinal Laboratories is now accepting credit card payments! This service is available to all of our customers for a 3.5% service charge. Please call Misty if you would like more information.

THANK YOU FOR YOUR BUSINESS!