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July 10, 2008

www.montand.com

Reply to Santa Fe Office

HAND-DELIVERED

Mr. David Brooks
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: **NMOCD Case No. 14134, *Application of the Board of County Commissioners of Rio Arriba County; and NMOCD Case No. 14141, Application of Approach Operating, LLC, Rio Arriba County, New Mexico***

2008 JUL 10 PM 4:25
RECEIVED

Dear Mr. Brooks:

At the end of the hearing on June 23, 2008, you requested that we supplement the record with additional information relative to the Hinkle, Martinez and Sultemeier water wells shown on Exhibit 15 discussed by our witness, Mr. Peter Maggiore.

Enclosed is Mr. Maggiore's July 7, 2008 report on his follow-up investigation made pursuant to your request.

Should you require additional information, please do not hesitate to contact me.

Very truly yours,



J. Scott Hall

Mr. David Brooks

July 10, 2008

Page 2

JSH/mb

Enclosure

cc: Ted Trujillo, Esq. (w/enc.)
Adan Trujillo, Esq. (w/enc.)



Corporate Headquarters
1425 Higham Street
Idaho Falls, ID 83402

To: J. Scott Hall, Attorney, Montgomery and Andrews P.A.

From: Pete Maggiore, Senior Vice President, North Wind Inc.

Date: July 7, 2008:

Subject: Background Information for Post-Hearing Submittal – New Mexico Oil and Conservation Division Case Numbers 14134 and 14141, Approach Operating LLC (Approach)

Background

At the conclusion of the above-referenced hearing on June 23, 2008 Hearing Examiner Brooks requested that Approach supplement the hearing record with a post-hearing submittal that focused upon Approach's Exhibit 15 (Water Data Map). Specifically, Hearing Examiner Brooks requested additional information that would either verify or refute the location of domestic water supply wells (specifically the Cloyd Hinkle domestic well and the Leroy A Martinez domestic well) which were plotted on Exhibit 15 in the visiting of Approach's proposed Cloyd Hinkle No. 1 well location.

Analysis

Attachment A to this Memorandum provides the references from the New Mexico Office of the State Engineer, WATERS Database for the following domestic wells:

- 1) Cloyd G. Hinkle well;
- 2) Leroy Martinez Well; and
- 3) William H. Sultemeier Well

Approach Exhibit 15, depicted these well locations as plotted using the most appropriate professional techniques. These locations were defined using both preliminary applications and completed well logs.

The lands in the vicinity of the Approach lease are primarily unsurveyed, and therefore it is not surprising to have conflicting or inaccurate data reflected in the Office of the State Engineer database for wells in this area. It is also important to note that the Office of the State Engineer data base defaults their well location data to the center of the smallest land appropriation unit provided during the permit process. This can be as crude as a township and range designation. As can be seen in Attachment B, the x and y coordinates listed show multiple locations that share the same X, Y coordinates by default and appear to reflect not specific data points but rather the quadrant or associated land unit that they are permitted to fall within.

Additional Field Work

On July 2, 2008 Ms. Heather Smith, M.S., P.G. and myself performed a field survey in the immediate vicinity of the proposed Cloyd Hinkle No. 1 well (see Approach Exhibit No. 1, page no. 3 and Approach Exhibit 8 (i)). After contacting the landowner, the survey was conducted by first locating the Cloyd Hinkle No. 1 well stake (Attachment C) and performing several traverses across the area, in both north-south and east-west directions (Attachment D, photographs with descriptions). The area of review was approximately 500 feet surrounding the well stake. Upon conclusion of the traverses the following observations were made:

- 1) No domestic wells, or direct evidence of domestic wells (rig roads, drill cuttings, water tanks, pressure tanks, etc) were noted.
- 2) Vegetation becomes extremely dense to the east and south, making traverses in those directions difficult. In addition, the surface grade in the east and south directions increase significantly (to 10 degrees and greater) suggestion that these areas would be an unlikely location for a domestic well.
- 3) The open area to the west of the well stake (between the well stake and the highway) contains evidence of a man-made structure (a bulldozed area which could have been constructed either as a tank for livestock watering or for flood control). Siting a domestic well behind a structure would not be likely.

In addition, we visually surveyed the leased area in the vicinity of the Sultemeier No. 1 proposed well location in an attempt to verify any additional well locations that might exist, as suggested by persons who testified at the above-referenced hearing. Accompanying us during this visual survey was the landowner, Ms. Beth Sultemeier.

One well, with a 7 inch diameter metal casing was identified immediately south of the Sultemeier No. 1 drill pad. Upon measurement, this well contained a groundwater depth of 32.55 feet below the top of casing with an apparent total well depth of 52.15 feet below top of casing (Attachment E). Approach has obtained permission from Ms. Sultemeier to place a locking well cap on this well. In addition, our field survey revealed an old windmill well located approximately 500 feet east of the rig road and approximately 500 feet south of the drill pad. This well exhibited a groundwater depth of approximately 46.42 feet from below the top of casing. The total well depth could not be definitively determined as it appeared that the gauging instrument encountered the refusal by the top of the suspended pump. Finally, the well that was referred to as having a hand pump associated with it was not found, despite numerous traverses in the vicinity by both Ms. Sultemeier and me.

Conclusion

Given the above analysis, it is my professional opinion that neither the Cloyd Hinkle domestic water supply well or the Leo R. Rodelle domestic water supply well exist within the area of review and in the immediate vicinity of Approach's proposed Cloyd Hinkle No. 1 well. Such wells, if they indeed exist, may have been abandoned, buried, or otherwise exist in a location other than depicted in Exhibit 15 and away from the immediate vicinity of the Approach's proposed Cloyd Hinkle No. 1 well.

New Mexico Office of the State Engineer
Water Right Summary

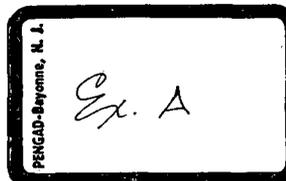
[Back](#)

DB File Nbr: RG 62305
 Primary Purpose: DOM 72-12-1 DOMESTIC ONE HOUSEHOLD
 Primary Status: PMT Permit
 Total Acres: 0
 Total Diversion: 3
 Owner: CLOYD G. HINKLE

Documents on File

Doc	File/Act	Status	1	2	3	Trans_Desc	From/To	Acres	Diversion	Consumptive
72121	05/31/1995	PMT APR CNV				CONVERSION	RG 623 T	0	3	

Point of Diversion POD Number	(qtr are 1-NW 2-NE 3-SW 4-SE) (qtr are biggest to smallest)				X Y are in Feet			UTM are in Meters)			Latitude	Longitude	Oth	
	Source	Tws	Rng	Sec	q	q	q	q	q	q				UTM Zone
RG 62305					C	410300	2058750		13	360893	4058026	0 0 0	0 0 0	
RG 62305 2					C	410300	2058750		13	360893	4058026	0 0 0	0 0 0	



New Mexico Office of the State Engineer
Transaction Summary

[Back](#)

72121 All Applications Under Statute 72-12-1

Trn_nbr: 28611

Trn_desc: CONVERSION RG 62305

File Date: 05/31/1995

Primary status: EMT Permit
Secondary status: APR Approved
Person assigned: null
Applicant: CLOYD G. HINKLE

Events

Date	Type	Description	Comment	Processed By
05/31/1995	CNV	Converted from Main Frame		*****

DB_File_Nbr	Acres	Diversion	Consumptive	Purpose of Use
RG 62305	0	3	0	DOM 72-12-1 DOMESTIC ONE HOUSEHOLD

New Mexico Office of the State Engineer
Point of Diversion Summary

[Back](#)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
RG 62305							C	410300	2058750

Driller Licence: 1289 AMERICAN DRILLING

Driller Name:

Drill Start Date: 09/06/1995

Log File Date: 09/21/1995

Pump Type:

Casing Size:

Depth Well: 760

Source:

Drill Finish Date: 09/11/1995

PCW Received Date:

Pipe Discharge Size:

Estimated Yield:

Depth Water:

**New Mexico Office of the State Engineer
Point of Diversion Summary**

[Back](#)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
RG 62305 2							C	410300	2058750

Driller Licence: 1289 AMERICAN DRILLING

Driller Name:

Drill Start Date: 09/12/1995

Log File Date: 09/21/1995

Pump Type:

Casing Size:

Depth Well: 820

Source:

Drill Finish Date: 09/15/1995

PCW Received Date:

Pipe Discharge Size:

Estimated Yield:

Depth Water: 820

New Mexico Office of the State Engineer
Transaction Summary

[Back](#)

72121 All Applications Under Statute 72-12-1

Trn_nbr: 179978

Trn_desc:RG 69778

File Date:05/17/2000

Primary status: PMT Permit
Secondary status: APR Approved
Person assigned: *****
Applicant: LEROY A. MARTINEZ

Events

Date	Type	Description	Comment	Processed By
 05/17/2000	APP	Application Received	*	*****
05/17/2000	FIN	Final Action on application		*****
05/17/2000	WAP	General Approval Letter		*****
04/11/2005	ARV	Rec & Arch - file location	RG 69778 Box: 841	*****

DB_File Nbr	Acres	Diversion	Consumptive	Purpose of Use
RG 69778	0	3	0	DOM 72-12-1 DOMESTIC ONE HOUSEHOLD

Point of Diversion
RG 69778 X: 409700.0 Y: 2058600.0 C in theTIERRA AMARILLA Grant

Remarks

REPERMIT. INCOMPLETE WELL RECORD FILED 2/25/2000. ADDITIONAL INFORMATION REQUESTED OF DRILLER ON 5/8/2000.

Conditions

4 :Use shall be limited to household, non-commercial trees, lawn and garden not to exceed one acre and/or stock use.

Action of the State Engineer

SEE GENERAL CONDITIONS OF APPROVAL

Approval Code: A Approved
Action Date: 05/17/2000
log due date: 05/17/2001
State Engineer: Thomas C. Turney
By:

**New Mexico Office of the State Engineer
Transaction Summary**

[Back](#)

72121 All Applications Under Statute 72-12-1

Trn_nbr: 148992

Trn_desc:RG 69778

File Date:05/07/1998

Primary status: EXP Expired Permit
 Secondary status: EXP Expired
 Person assigned: *****
 Applicant: LEROY A. MARTINEZ

Events

Date	Type	Description	Comment	Processed By
 05/07/1998	APP	Application Received	*	*****
05/12/1998	FIN	Final Action on application		*****
05/12/1998	WAP	General Approval Letter		*****
04/15/1999	WRM	Well Log Reminder Letter		*****
02/11/2000	EXP	Expired Permit (well log late)		*****
 02/25/2000	LOG	Well Log Received	*	*****
02/28/2000	LAT	Late Well Log Filed (Exp Pmt)		*****
04/12/2005	ARV	Rec & Arch - file location	RG 69778 Box: 848	*****

DB_File_Nbr	Acres	Diversion	Consumptive	Purpose of Use
RG 69778	0	3	0	DOM 72-12-1 DOMESTIC ONE HOUSEHOLD

Point of Diversion
 RG 69778 X: 409700.0 Y: 2058600.0 C in theTIERRA AMARILLA LAND Grant

Conditions

4 :Use shall be limited to household, non-commerical trees, lawn and garden not to exceed one acre and/or stock use.

Action of the State Engineer

See general conditions of approval E, F, and H.

Approval Code: A Approved
 Action Date: 05/12/1998
 log due date: 05/12/1999
 State Engineer: Thomas C. Turney
 By:

201

**NEW MEXICO STATE ENGINEER OFFICE
APPLICATION TO APPROPRIATE UNDERGROUND WATERS**

IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

\$5.00
14C 1-22679

1. APPLICANT

Name: LEROY A. MARTINEZ Work Phone: 5057561050
Contact: _____ Home Phone: 5057561050
Address: P. O. BOX 202
City: TIERRA AMARILLA State: NM Zip: 87575

2. LOCATION OF WELL (E thru H optional)

A. 1/4 1/4 1/4 Section: _____ Township: _____ Range: _____ N.M.P.M.
in Rio Arriba County.

B. X = 409700 feet, Y = 2058600 feet, N.M. Coordinate System
Central zone in the TIERRA AMARILLA LAND Grant.
U.S.G.S. Quad Map _____

C. Give State Engineer File Number if existing well: _____

D. On land owned by: _____

E. Tract No. _____, Map No. _____ of the _____

F. Lot No. _____, Block No. _____ of Unit/Tract _____ of the
_____ Subdivision recorded in _____ County.

G. Latitude: _____ Longitude: _____

H. Other: _____

3. USE OF WATER (check use applied for)

One household, non-commercial trees, lawn and garden not to exceed a
total of one acre.

Livestock watering.

Note: If any of the following items are marked, give the name and nature
of business or use under item 5 of the additional statements or
explanations section.

More than one household, non-commercial trees, lawns and gardens not to
exceed a total of one acre.

Drinking and sanitary purposes and the irrigation of non-commercial
trees, shrubs and lawns not to exceed one acre in conjunction with a
commercial operation.

Prospecting, mining or drilling operations to discover or develop natural
resources.

Construction of public works, highways and roads.

Trn Desc: RG 69778
Log Due Date: 05/17/2001
Form: wr-01

File Number: RG 69778
Trn Number: 179978

STATE OF NEW MEXICO
ENGINEER OFFICE
MAY 17 11:15 AM

**NEW MEXICO STATE ENGINEER OFFICE
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES**

GENERAL CONDITIONS OF APPROVAL (A thru I)

- A The maximum amount of water that may be appropriated under this permit is 3 acre-feet in any year.
- B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated. A licensed driller shall not be required for the construction of a driven well; provided, that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter (Section 72-12-12).
- C Driller's well record must be filed with the State Engineer within 10 days after the well is drilled or driven. Well record forms will be provided by the State Engineer upon request.
- D The casing shall not exceed 7 inches outside diameter except under specific conditions in which reasons satisfactory to the State Engineer are shown.
- E If the well under this permit is used at any time to serve more than one household or livestock in a commercial feed lot operation, or for drinking and sanitation purposes in conjunction with a commercial operation, the permittee shall notify the State Engineer Office in writing.
- F In the event this well is combined with other wells permitted under Section 72-12-1 New Mexico Statutes Annotated, the total outdoor use shall not exceed the irrigation of one acre of non-commercial trees, lawn, and garden, or the equivalent outside consumptive use, and the total appropriation for household and outdoor use from the entire water distribution system shall not exceed 3 acre-feet in any year.
- G If artesian water is encountered, all rules and regulations pertaining to the drilling and casing of artesian wells shall be complied with.
- H The amount and uses of water permitted under this Application are subject to such limitations as may be imposed by the courts or by lawful municipal and county ordinances which are more restrictive than applicable State Engineer Regulations and the conditions of this permit.

Trn Desc: RG 69778
Log Due Date: 05/17/2001
Form: wr-01

File Number: RG 69778
Trn Number: 179978

NEW MEXICO STATE ENGINEER OFFICE
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

GENERAL CONDITIONS OF APPROVAL (Continued)

- I The permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.

SPECIFIC CONDITIONS OF APPROVAL

- 4 Use shall be limited to household, non-commercial trees, lawn and garden not to exceed one acre and/or stock use.

LOG This permit will automatically expire unless the well RG 69778 is completed and the well record filed on or before 05/17/2001.

SEE GENERAL CONDITIONS OF APPROVAL

ACTION OF STATE ENGINEER

This application is approved for the use indicated, subject to all general conditions and to specific conditions listed above.

Witness my hand and seal this 17 day of May A.D., 2000

Thomas C. Turney _____, State Engineer

By: *Erin S. Trujillo*
ERIN S. TRUJILLO

Trn Desc: RG 69778
Log Due Date: 05/17/2001
Form: wr-01

File Number: RG 69778
Trn Number: 179978

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well LEROY MARTINEZ Owner's Well No. _____
Street or Post Office Address _____
City and State _____

Well was drilled under Permit No. RG 69778 and is located in the:
a. _____ 1/4 _____ 1/4 _____ 1/4 _____ 1/4 of Section _____ Township _____ Range _____ N.M.P.M.
b. Tract No. _____ of Map No. _____ of the _____
c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in R10 Arriba County.
d. X= 409700 feet, Y= 2058600 feet, N.M. Coordinate System: Central Zone in
the Tierra Amarilla Grant.

(B) Drilling Contractor ERNEST. B. WELL DRILLING License No. WD-1113
Address 301 N. Ash St Aztec NM 87410-2186
Drilling Began 2-19-80 Completed _____ Type tools _____ Size of hole 8 3/4 in.
Elevation of land surface or _____ at well is _____ ft. Total depth of well 330 ft.
Completed well is shallow artesian. Depth to water upon completion of well 82.6 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
110	115	5'	sand	
215	230	15	sand	
310	330	20'	sand	

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
4 7/8	36#	N/A	+20"	23'	24'	Drive	—	—
5'	PVC	gha	+20	350'	352'	Full cap	140 200 310	160 260 330

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				
80'	350'	8 3/4/5	60 sacks silica	2 yards 3/4 mix	
70'	80'		4 5 gallon buckets	Bentonite	
20'	70'		20 sacks	portland cement	

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative _____

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1			
2			
3			
4			

Date Received 2-25-2000 FOR USE OF STATE ENGINEER ONLY Tierra Amarilla
Quad _____ FWL _____ FSL _____
File No. RG 69778 Use Dom Location No. 409700/2058600
central

STATE ENGINEER OFFICE
ALBUQUERQUE, NEW MEXICO
00 FEB 25 PM 11:23

Owner	Well ID	Water DEPTH	Use	DB File	NBR	SUB#	Diversion	POD	Number	Source	ZONE	X	Y	UTM_Zone	Eastings	Northing	Start Date	Finish Date
✓ PALMA LOPPACHER			MUL	81740	RG		3	RG	81740	C	C	428003	2051573	13	366280	4055769		
✓ NUTRITAS DITCH NO. 1			IRR	6370	SD		0	SD	6370	C	C	422508	2057719	13	364610	4057663		
✓ AGRIPINA G. SALAZAR			NRT	6370	SD	1	0	SD	6370	C	C	422508	2057719	13	364610	4057663		
✓ SENA DITCH			IRR	6383	SD		0	SD	6383	C	C	426804	2052231	13	365897	4055974		
✓ JOHN M. SENA			NRT	6383	SD	1	0	SD	6383	C	C	426804	2052231	13	365897	4055974		
✓ FRANK C. SENA			NRT	6383	SD	2	0	SD	6383	C	C	426804	2052231	13	365897	4055974		
✓ JOHN M. SENA			NRT	6383	SD	3	0	SD	6383	C	C	426804	2052231	13	365897	4055974		
✓ AGRIPINA G. SALAZAR			NRT	6383	SD	4	0	SD	6383	C	C	426804	2052231	13	365897	4055974		
✓ RAY MER			MUL	85446	RG		3	RG	85446	C	C	453573	2059734	13	374085	4058154		
✓ DAVID MORRISON		50	DOM	80911	RG		3	RG	80911	Shallow	C	416311	2062251	13	362739	4059069	9/12/2003	9/13/2003
✓ LUJAN DITCH			IRR	6367	SD		0	SD	6367	C	C	417738	2061756	13	363172	4058913		
✓ ELLIS GORDON SCHLEGEL			NRT	6367	SD	1	0	SD	6367	C	C	417738	2061756	13	363172	4058913		
✓ ASCENSION LABRIER			NRT	6367	SD	2	0	SD	6367	C	C	417738	2061756	13	363172	4058913		
✓ WILLIAM H. SULTEMEIER		300	DOM	71070	RG		0	RG	71070	C	C	419000	2051900	13	363518	4055904		
✓ GILBERT A. ESPINOSA		58	DOM	55239	RG		3	RG	55239	Shallow	C	410000	2061600	13	360813	4058896	4/29/1992	5/14/1992
✓ LEO R. RODELLE		70	DOM	55240	RG		3	RG	55240	Shallow	C	410000	2058300	13	360800	4057890	4/15/1992	4/24/1992
✓ CLOYD G. HINKLE		760	DOM	62305	RG		3	RG	62305	Shallow	C	410300	2058750	13	360893	4058026	9/6/1995	9/11/1995
✓ LEROY A. MARTINEZ		820	DOM	69778	RG		3	RG	62305 2	Shallow	C	410300	2058750	13	360893	4058026	9/12/1995	9/15/1995
✓ LEROY A. MARTINEZ		350	DOM	69778	RG		3	RG	69778	Shallow	C	409700	2058600	13	360710	4057963		

PENGAD-Bayonne, N. J.
 E
 B

Attachment C- Proposed Hinkle Drill Site: Location Stake

1. Cloyd Hinkle Site : proposed drilling location – picture



2. Cloyd Hinkle Site : proposed drilling location – picture 2



Attachment C- Proposed Hinkle Drill Site: Location Stake

3. Cloyd Hinkle Site: Traversing for water structures / existing wells from database (pic. 3)



Summary of Logbook field data for 7-2-08: Hinkle Site (For complete records see log book pages)

1500 Arrive at Hinkle Ranch:

- In efforts to locate water wells identified in the state engineer's database as existing near the proposed drilling location on this property, P Maggiore and H Smith traversed the area on foot.
 - Aerial photos and existing maps were consulted and visual clues in the area such as old road beds and de-forested areas were considered and investigated further visually.
 - No signs of existing wells or water containing structures were identified in the area surrounding the proposed drilling location.
- GPS coordinates of proposed drill site stake : 36 39' 28.940" N; 106 33' 19.031" W;
- 2358 m elevation MSL; WGS 1984.
- This GPS reading is annotated by the cautionary warning "poor satellite geometry."

1610 leave site

Attachment D- Proposed Hinkle Drill Site: Location Stake

1. Cloyd Hinkle Site: Traversing for water structures / existing wells from database (pic. 1)



2. Cloyd Hinkle Site: Traversing for water structures / existing wells from database (pic. 2)

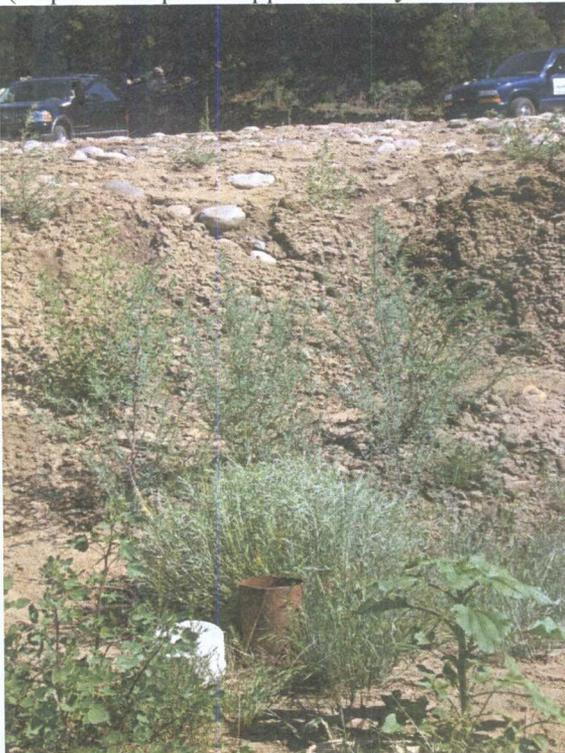


Attachment E- Sultemeier No 1 Proposed Hinkle Drill Site: and Sultemeier Windmill Site

1. Existing Water Well at the edge of the Sultemeier Drill Pad:
Casing: OD = 7"; ID= 6.5"; stick up = .75' from ground surface



2. (Top of drill pad is approximately 4 feet above top of this well casing)

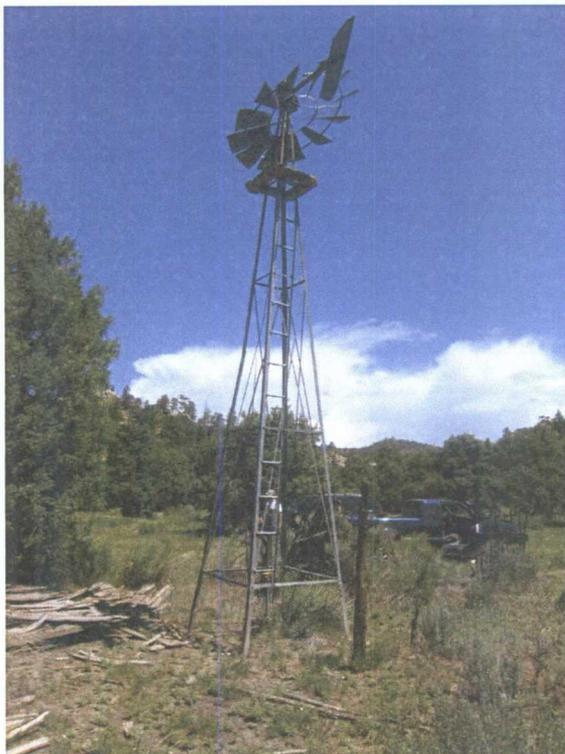


Attachment E- Sultemeier No 1 Proposed Hinkle Drill Site: and Sultemeier Windmill Site

3. Windmill fitted well location on the Sultemeier Ranch - GPS Coordinate Collection



4. Windmill fitted well location on the Sultemeier Ranch - sample location #2



Attachment E- Sultemeier No 1 Proposed Hinkle Drill Site: and Sultemeier Windmill Site

Summary of Logbook field data for 7-2-08: Sultemeier Ranch
(For complete records see log book pages)

0930: Meet Beth Sultemeier at her ranch to gain access and review water well locations and conduct visual survey of the area of concern

0955: Initial Well Identified at Drill pad site:

- GPS coordinates : 36 38' 32.345" N; 106 32' 49.942" W;
- 2330 m elevation MSL; WGS 1984.
- Casing OD = 7", ID = 6.5",
- water level = 32.55' btoc,
- soft tag at bottom = 52.157 ' btoc,
- casing is .75' stick up from original ground surface
- top of new drill pad is 4' higher than top of casing
- well is 17' from existing road
- well is 8.5' from drill pad
- Sample ID = SltW-1 at 1103 on 7-2-08
- Collected : Total Cyanide, Metals, FI, NO2, NO3, DRO, GRO, SVOCs, VOC's
- Samples collected with a bailer – 1st grab. No purging.
- Water is visually very clear no odor.
- Water level after sampling and 10 additional bailers of water collected in quick succession did not show any preliminary significant draw down in water column.
- Final water level = 32.77 ' btoc

1115 Complete Sampling at Site 1

1130 Move to windmill site on the Sultemeier Ranch. This is the site of an old homestead. Structures other than windmill are no longer still standing, but debris remains here.

- GPS coordinates : 36 38' 17.652" N; 106 32' 43.036" W;
- 2318 m elevation MSL; WGS 1984.
- Casing OD = 7", ID = 6.5", threaded metal
- Water level = 46.42' btoc,
- Bailer only submerges ~6" maximum till it strikes refusal. (Top of pump system possibly??),
- Casing is 7" stick up from original ground surface
- Sample ID = SltW-2 collected at 1228 on 7-2-08
- Collected : Total Cyanide, Metals, FI, NO2, NO3, DRO, GRO, SVOCs, VOC's
- Samples collected with a bailer – 1st grab. No purging.
- Water is visually heavy with black sediment, which increases in concentration with bailing.
- Water effervesces upon contact with HCl preservative
- Did not collect Total Cyanide or 1 of the SVOC bottles due to insufficient water volume. Water level in this well decreased over the course of sampling until there was no more recoverable water above the area of bailer refusal.

Brooks, David K., EMNRD

From: J. Scott Hall [SHall@montand.com]
Sent: Wednesday, July 09, 2008 8:15 AM
To: Brooks, David K., EMNRD
Cc: Ted J. Trujillo; Price, Wayne, EMNRD; Jones, Brad A., EMNRD
Subject: RE: Approach LLC - Basin Disposal

Mr. Brooks:

I am advised that Approach Operating will utilize the TNT environmental site located on Highway 537 south of Dulce, NM. If further information is needed, please let me know.

Thanks.

J. Scott Hall
Montgomery & Andrews, P.A.
P. O. Box 2307
Santa Fe, NM 87504-2307
shall@montand.com
(505) 986-2646

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-----Original Message-----

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, June 24, 2008 10:41 AM
To: J. Scott Hall
Cc: Ted J. Trujillo; Price, Wayne, EMNRD; Jones, Brad A., EMNRD
Subject: Approach LLC - Basin Disposal

Dear Scott:

I am advised by OCD's Environmental Bureau that Basin Disposal is not an approved facility for the waste from your client, Approach LLC's, proposed wells in Rio Arriba County that are the subject of Cases 13134 and 13141.

Please contact Brad Jones of the Environmental Bureau at 476-3487 for more information on this subject.

Sincerely

David K. Brooks
Legal Examiner

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7/10/2008