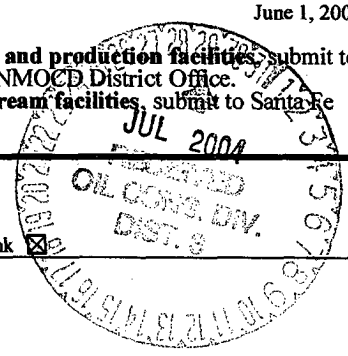
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office



Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Great Western Drilling Co. Telephone: 505-327-4892 e-mail address: paul@walsheng.net
Address: 7415 E. Main St. Farmington, NM 87402
Facility or well name: Nordhaus #8 API #: 30-039-27590 U/L or Qtr/Qtr J Sec 19 T 25N R7W
County: Rio Arri ba Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank	
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 500 bbl	Volume: _____bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more X	(20 points) (10 points) (0 points) 0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No X	(20 points) (0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more X	(20 points) (10 points) (0 points) 0
	Ranking Score (Total Points)	0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☒ offsite ☐ If offsite, name of facility_____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**
Date: 07/07/04

Printed Name/Title Paul C. Thompson, P.E. Signature Paul C Thomp

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title Denny Foust DEPUTY OIL & GAS INSPECTOR, DIST. #3 Signature_____ Date: JUL 29 2004

612 E. Murray Drive
Farmington, NM 87401

Off: (505) 327-1072

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P.O. Box 2606
Farmington, NM 87499

Fax: (505) 327-1496

ANALYTICAL REPORT

Date: 21-Jul-04

CLIENT:	Walsh Engineering 7 Production Corp.	**Client Sample Info:**	Nordhaus Fed #8
Work Order:	0406014	**Client Sample ID:**	Reserve Pit
Project:	Landfarm and Reserve Pits	**Collection Date:**	6/8/2004 4:30:00 PM
Lab ID:	0406014-002A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
DIESEL RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C10-C28	29	50.0	J	mg/Kg	1	6/15/2004
GASOLINE RANGE ORGANICS		**SW8015B**				Analyst: **JEM**
T/R Hydrocarbons: C6-C10	2.7	4.50	J	mg/Kg	25	6/17/2004
AROMATIC VOLATILES BY GC/PID		**SW8021B**				Analyst: **JEM**
Benzene	ND	25		µg/Kg	25	6/19/2004
Ethylbenzene	110	25		µg/Kg	25	6/19/2004
m,p-Xylene	490	50		µg/Kg	25	6/19/2004
Methyl tert-Butyl Ether	ND	250		µg/Kg	25	6/19/2004
o-Xylene	140	25		µg/Kg	25	6/19/2004
Toluene	170	50		µg/Kg	25	6/19/2004
TRACE METALS IN SOIL		**SW6010B**		**(SW3050B)**		Analyst: **DWC**
Arsenic	0.7	2.3	J	mg/Kg	1	6/22/2004
Barium	81	0.87		mg/Kg	1	6/21/2004
Cadmium	ND	0.68		mg/Kg	1	6/21/2004
Chromium	11	1.2		mg/Kg	1	6/21/2004
Lead	7.4	1.6		mg/Kg	1	6/21/2004
Selenium	ND	2.1		mg/Kg	1	6/21/2004
Silver	ND	0.19		mg/Kg	1	6/21/2004
MERCURY, TOTAL		**SW7471**		**(SW7471)**		Analyst: **JEM**
Mercury	0.013	0.018	J	mg/Kg	1	7/12/2004
ANIONS BY ION CHROMATOGRAPHY		**E300**		**(E300)**		Analyst: **JEM**
Chloride	5410	10.1		ppm	100	6/14/2004

Qualifiers:

ND - Not Detected at the Practical Quantitation Limit
J - Analyte detected below Practical Quantitation Limit
B - Analyte detected in the associated Method Blank
H - Parameter exceeded Maximum Allowable Holding Time
S - Spike Recovery outside accepted recovery limits
R.- RPD outside accepted precision limits
E - Value above Upper Quantitation Limit - UQL

Midwest Laboratories, Inc.℠
13611 "B" Street • Omaha, Nebraska 68144-3693 • (402) 334-7770 • FAX (402) 334-9121
www.midwestlabs.com

Report Number
04-191-2109

REPORT OF ANALYSIS

Mail to: iina ba, LTD
Judy MOORE
PO BOX 2606
FARMINGTON NM 87499-2606

For: (6833) ON SITE TECHNOLOGIES LTD
(505)325-5667

PO/Proj. #: ???
SOIL ANALYSIS

Date Reported: 07/09/04
Date Received: 07/02/04
Date Sampled: 06/08/04

Lab number: 988679 Sample ID: 0406014-002A **NORDHAUS FED #8 RESERVE PIT**

Analysis	Level Found	Units	Detection Limit	Method	Analyst-Date
Sodium Adsorption Ratio	73.0			CALCULATED	jpt-07/02
Sodium (water soluble)	8,981	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Magnesium (water soluble)	1.0	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Calcium (water soluble)	1,143	mg/L	1.0	SATURATED PASTE EXTRACT	jpt-07/09
Conductivity	36.9	mS/cm	0.01	SATURATED PASTE EXTRACT	dmg-07/09

$$ESP = \frac{100(-0.0126 + 0.01475(SAR))}{1+(-0.0126 + 0.01475(SAR))}$$

$$ESP = \frac{100(-0.0126 + 0.01475(73))}{1+(-0.0126 + 0.01475(73))}$$

$$ESP = \frac{106.4150}{2.0642}$$

$$ESP = 51.5527$$

Respectfully Submitted

Heather Ramig/Sue Ann Seitz/Rob Ferris
Client Services

The above analytical results apply only to the sample(s) submitted.

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Farmington, NM 87499

Fax: (505) 327-1496

iiná bá **Date:** *21-Jul-04*

CLIENT: Walsh Engineering 7 Production Corp.
Project: Landfarm and Reserve Pits
Lab Order: 0406014

CASE NARRATIVE

Samples were analyzed using the methods outlined in the following references:

Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition.

All method blanks, laboratory spikes, and/or matrix spikes met quality assurance objectives.

Any quality control and/or data qualifiers associated with this laboratory order will be flagged in the analytical result page(s), the quality control summary report(s) or the sample receipt checklist. Prep Comments for HG_SP, Sample 0406014-002A: The prep HoldTime was exceeded by 5.73 days. Prep Comments for HG_SP, Sample 0406014-003A: The prep HoldTime was exceeded by 5.75 days.

0406014-003A
Conductivity: 66.66 mS/cm Nordhaus Fed #9
SAR: 421 Calculated
ESP: 86.10 Calculated

0406014-002A
Conductivity: 36.9 mS/cm Nordhaus Fed #8
SAR: 73.0 Calculated
ESP: 51.6 Calculated