| District I |
|---|
| 1625 N. Franch 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

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

| 1220 0. 01. 114 | 1013 D1., 54114 | | , | Sar | ita F | •e, NM 875 | 05 | | | | | side of form |
|--|---|-----------------|------------------------|-------------------------|----------------|--------------------------------------|----------------------|---------------|------------------|--------------------|---|---------------------------------------|
| Release Notification and Corrective Action | | | | | | | | | | | | |
| API# | 30-0 | 95-312 | 50 | | | OPERATOR Initial Report 🕅 Fin | | | | Final Report | | |
| Name of Co | ompany S | San Juan Res | sources | | | Contact V | ern Andrews | | | | | · · · · · · · · · · · · · · · · · · · |
| Address c/ | o Walsh Ei | ngineering, | | | | Telephone 1 | No. 505-327-4 | 1892 | | | | |
| 74 Facility No | 15 East m | ain St., Farm | lington, N | IM 87402 | | Facility Tw | Wall Laas | tion | | | | |
| | ine Appo | | | | | Facility Typ | e - wen Loca | ation | · · · · · | | | |
| Surface Ow | ner – FEE | | | Mineral Ov | vner | - FEE | | | Lease N | lo FEE | | |
| | | | | LOCA | ГЮ | N OF RE | LEASE | | | | | |
| Unit Letter I | Section 30 | Township 30N | Range 11W | Feet from the 1964 | Nortl Soutl | h/South Line h | Feet from the 670 | East/ East | West Line | County San Juan | | |
| | <u> </u> | <u> </u> | L | atitude <u>36.7814</u> | <u>28</u> | _ Longitude | -108.025208 | | | | | |
| | | | | NATU | JRE | E OF REL | EASE | | | | | |
| Type of Rele | ase - Cond | ensate/Produc | ed water | | | Volume of | Release < 5 BBL | S | Volume R | lecovered - | 12 yds | s of soil |
| Source of Re | lease Tub | ing | | | | Date and H | lour of Occurrence | e | Date and 6:22 am | Hour of Dis | covery | 7/31/09 – |
| Was Immedi | ate Notice (| Given? | | | | If YES, To | Whom? | | Ę | CVD OCT | 20 % | 79 |
| | | | Yes | | uirec | 1 | | | 1 | <u>ne cons</u> | <u>. DIV</u> | j |
| By Whom? | course Read | hed? | | | | Date and F | lour – | he Wa | tercourse | | 3 | |
| | course reca | | Yes 🗵 | No | | | nume impacting ti | 110 114 | terebuise. | | | |
| If a Watercon | urse was Im | pacted, Descr | ibe Fully.* | ; | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | 、 · · · | | | | | | | | |
| Describe Cau | ise of Proble | em and Reme | dial Action | n Taken.* | anto r | and water into | the air and anta th | | around the u | callboad Th | o Son I | Ivon County |
| Sherriff's De | pt. Deputy (| Gary Mauldor | called in | the leak. Vern And | rews | responded and | I shut in the BOP. | NMO | CD – Brand | on Powell w | as noti | ified and |
| taken to loca | tion on Aug | ust 4 and it w | as determi | ned that the area ar | ound | the wellhead s | hould be excavate | ed. Soi | l was excava | ated on 8/27 | /09 and | d hauled to |
| Industrial Ec | osystem's L | andfarm for r | emediatio e wellhea | n. A composite sam 1 | iple v | vas taken to Er | ivirotech for final | lab an | alysis. Appr | oximately I | 2 yards | s was |
| | in location is | | e weimea | | | | | | | | | |
| Deceribe Arc | A ffacted | and Cleanum | votion Tol | | | | | | | | | |
| The soil arou | ind the well | nead was exca | vated on a | 8/27/09 and hauled | to In | dustrial Ecosys | stem's Landfarm f | or rem | ediation. A | composite s | ample | was taken to |
| Envirotech fo | or final lab a | inalysis. Appr | oximately | 12 yards was remo | ved f | from location f | rom around the w | ellhead | 1. | • | • | |
| | | | | | | | | | | | | |
| | | ····· | | | | | | | | | | |
| I hereby certi | ify that the i | nformation gi | ven above | is true and comple | te to | the best of my | knowledge and up | ndersta | and that purs | uant to NM | OCD r | ules and |
| public health | or the envir | ronment. The | acceptance | e of a C-141 report | t by tl | he NMOCD m | arked as "Final Re | eport" | does not reli | eve the ope | rator of | f liability |
| should their o | operations h | ave failed to a | dequately | investigate and ren | nedia | ite contaminati | on that pose a three | eat to g | ground water | , surface wa | ter, hu | man health |
| or the enviror | or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other | | | | | | | y other | | | | |
| Teuerar, state, | | vs and/or rege | 1 | | 1 | | OIL CONS | SERV | JATION | DIVISIC |)N | · · · |
| | Jam | O.A | | · · · 人 | | | <u>-012</u> 0010 | <u> </u> | | 2212020 | <u>, , , , , , , , , , , , , , , , , , , </u> | |
| Signature: Vell C ' Velles | | | | | | 1 | 2 1 | 01 | for | :CP | | |
| Printed Nam | e: Vern And | lrews | | | | Approved by | District Supervise | or: // | manch | Dell | | |
| Title: Produc | tion Forema | in | | | | Approval Da | e: 11/9/09 | | Expiration | Date: | | |
| E-mail Addre | ess: vern@v | valsheng.net | | | | Conditions of | Approval: | _ | | A 44 1 - 1 | | |
| | | | | | | | - • | | | Attached | Ц | |

Incident # 1, Rm 0931626964

Date: 10/1/09 P * Attach Additional Sheets If Necessary

Phone: 505-320-1763

envirotech Analytical Laboratory

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

| Client: | San Juan Resources | Project #: | 05217-0003 |
|----------------------|--------------------|---------------------|------------|
| Sample ID: | Wellhead | Date Reported: | 09-02-09 |
| Laboratory Number: | 51451 | Date Sampled: | 08-27-09 |
| Chain of Custody No: | 7847 | Date Received: | 08-28-09 |
| Sample Matrix: | Soil | Date Extracted: | 08-31-09 |
| Preservative: | Cool | Date Analyzed: | 09-01-09 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |
| | | | |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | ND | 0.1 |
| Total Petroleum Hydrocarbons | ND | 0.2 |

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Apperson #1E

Analyst

Mister Water Review

Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc.com



EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

| • | | | | | |
|------------------------------|------------------|----------------|-----------------|----------------|--------------|
| Client: | QA/QC | | Project #: | | N/A |
| Sample ID: | 09-01-09 QA/Q | с | Date Reported: | | 09-02-09 |
| Laboratory Number: | 51427 | | Date Sampled: | | N/A |
| Sample Matrix: | Methylene Chlori | de | Date Received: | | N/A |
| Preservative: | N/A | | Date Analyzed: | | 09-01-09 |
| Condition: | N/A | | Analysis Reques | sted: | ТРН |
| | | - Contraction | | Son INTERNET | |
| | | A DECEMENT | | e /osemerences | Accept Kange |
| Gasoline Range C5 - C10 | 05-07-07 | 1.0036E+003 | 1.0040E+003 | 0.04% | 0 - 15% |
| Diesel Range C10 - C28 | 05-07-07 | 9.8512E+002 | 9.8551E+002 | 0.04% | 0 - 15% |
| | | | | | 1 |
| phanksonearing.csang.kg | | eoncentration. | | energenon enni | 2 |
| Gasoline Range C5 - C10 | | ND | | 0.2 | |
| Diesel Range C10 - C28 | | ND | | 0.1 | |
| Total Petroleum Hydrocarbons | | ND | | 0.2 | |
| | | | | | 3 |
| neuplicate/concatinio//No) | man sample, an | Duplicate | Williterence | Accept Range | |
| Gasoline Range C5 - C10 | ND | ND | 0.0% | 0 - 30% | |
| Diesel Range C10 - C28 | ND | ND | 0.0% | 0 - 30% | |
| | | | | | |
| spike/conc-(mg/kg)/a - and | Sample Sample | Spike/Added | Spike Result | % Recovery | Accept Range |
| Gasoline Range C5 - C10 | ND | 250 | 254 | 102% | 75 - 125% |
| Diesel Range C10 - C28 | ND | 250 | 257 | 103% | 75 - 125% |
| | | | | | |

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments:

QA/QC for Samples 51423, 51427 - 51429, 51433 - 51435, 51451, and 51468 - 51469.

Analyst

Musture m Walles



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client: | San Juan Resources | Project #: | 05217-0003 |
|--------------------|--------------------|---------------------|------------|
| Sample ID: | Wellhead | Date Reported: | 09-02-09 |
| Laboratory Number: | 51451 | Date Sampled: | 08-27-09 |
| Chain of Custody: | 7847 | Date Received: | 08-28-09 |
| Sample Matrix: | Soil | Date Analyzed: | 09-01-09 |
| Preservative: | Cool | Date Extracted: | 08-31-09 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) | · |
|--------------|--------------------------|--------------------------|---|
| | | | |
| Benzene | ND | 0.9 | |
| Toluene | 3.9 | 1.0 | |
| Ethylbenzene | 3.8 | 1.0 | |
| p,m-Xylene | 22.0 | 1.2 | |
| o-Xylene | 9.7 | 0.9 | |
| Total BTEX | 39.4 | | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 97.0 % |
| | 1,4-difluorobenzene | 97.0 % |
| | Bromochlorobenzene | 97.0 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Apperson #1E

Analyst

Mistre Water Review



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client: | N/A | Project #: | N/A |
|--------------------|----------------|----------------|----------|
| Sample ID: | 09-01-BT QA/QC | Date Reported: | 09-02-09 |
| Laboratory Number: | 51427 | Date Sampled: | N/A |
| Sample Matrix: | Soil | Date Received: | N/A |
| Preservative: | N/A | Date Analyzed: | 09-01-09 |
| Condition: | N/A | Analysis: | BTEX |
| | | | |

| Calibration and Detection Limits (trg/L) | L JECANRE: | C-Cal RE Accept Rang | wDiff4 je:0~15% | Blank Conc | Detect. Limit | |
|---|-------------|-------------------------|--------------------|---------------|------------------|--|
| Benzene | 3.0966E+006 | 3.1028E+006 | 0.2% | ND | 0.1 | |
| Toluene | 2.9047E+006 | 2.9105E+006 | 0.2% | ND | 0.1 | |
| Ethylbenzene | 2.6097E+006 | 2.6150E+006 | 0.2% | ND | 0.1 | |
| p,m-Xylene | 6.7995E+006 | 6.8132E+006 | 0.2% | ND | 0.1 | |
| o-Xylene | 2.5188E+006 | 2.5238E+006 | 0.2% | ND | 0.1 | |
| | | | | | | |

| Duplicate Conc (ug/Kg) | ample) Du | iplicate | WDiff. | Accept Range | Detect Limit |
|------------------------|-----------|----------|--------|--------------|--------------|
| Benzene | ND | ND | 0.0% | 0 - 30% | 0.9 |
| Toluene | ND | ND | 0.0% | 0 - 30% | 1.0 |
| Ethylbenzene | ND | ND | 0.0% | 0 - 30% | 1.0 |
| p,m-Xylene | ND | ND | 0.0% | 0 - 30% | 1.2 |
| o-Xylene | ND | ND | 0.0% | 0 - 30% | 0.9 |

| Spike Conc. (ug/Kg) | Sample Amo | unt Spiked – Spik | ed/Sample | %Recovery | AcceptiRange |
|---------------------|------------|-------------------|-----------|-----------|--------------|
| Benzene | ND | 50.0 | 49.5 | 99.0% | 39 - 150 |
| Toluene | ND | 50.0 | 45.0 | 90.0% | 46 - 148 |
| Ethylbenzene | ND | 50.0 | 48.0 | 96.0% | 32 - 160 |
| p,m-Xylene | ND | 100 | 98.0 | 98.0% | 46 - 148 |
| o-Xylene | ND | 50.0 | 43.0 | 86.0% | 46 - 148 |

ND - Parameter not detected at the stated detection limit.

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996. Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

 Comments:
 QA/QC for Samples 51423, 51427 - 51429, 51433 - 51435, 51451, and 51468 - 51465

 Analyst
 Musture Welles

 Review
 Review



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CATION / ANION ANALYSIS

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| Client: | San Juan Resources | Project #: | 05217-0003 |
|--------------------|--------------------|-----------------|------------|
| Sample ID: | Wellhead | Date Reported: | 09-02-09 |
| Laboratory Number: | 51451 | Date Sampled: | 08-27-09 |
| Chain of Custody: | 7847 | Date Received: | 08-28-09 |
| Sample Matrix: | Soil Extract | Date Extracted: | 08-30-09 |
| Preservative: | Cool | Date Analyzed: | 08-31-09 |
| Condition: | Intact | | |

| | Analytical | | | |
|-------------------------------|------------|----------|-------|-------|
| Parameter | Result | Units | | |
| рН | 7.42 | s.u. | | |
| Conductivity @ 25° C | 753 | umhos/cm | | |
| Total Dissolved Solids @ 180C | 500 | mg/L | | |
| Total Dissolved Solids (Calc) | 484 | mg/L | | |
| SAR | 6.2 | ratio | | |
| Total Alkalinity as CaCO3 | 66.0 | mg/L | | |
| Total Hardness as CaCO3 | 83 | mg/L | | |
| Bicarbonate as HCO3 | 66.0 | mg/L | 1.08 | meq/L |
| Carbonate as CO3 | <0.1 | mg/L | 0.00 | meq/L |
| Hydroxide as OH | <0.1 | mg/L | 0.00 | meq/L |
| Nitrate Nitrogen | 0.20 | mg/L | 0.00 | meq/L |
| Nitrite Nitrogen | 0.008 | mg/L | 0.00 | meq/L |
| Chloride | 55.0 | mg/L | 1.55 | meq/L |
| Fluoride | 0.280 | mg/L | 0.01 | meq/L |
| Phosphate | 2.40 | mg/L | 0.08 | meq/L |
| Sulfate | 223 | mg/L | 4.64 | meq/L |
| Iron | <0.01 | mg/L | 0.00 | meq/L |
| Calcium | 27.1 | mg/L | 1.35 | meq/L |
| Magnesium | 3.82 | mg/L | 0.31 | meq/L |
| Potassium | 2.12 | mg/L | 0.05 | meq/L |
| Sodium | 130 | mg/L | 5.66 | meq/L |
| Cations | | | 7.38 | meg/L |
| Anions | | | 7.37 | meq/L |
| Cation/Anion Difference | | | 0.08% | |

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983. Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Apperson #1E.

Analyst

Cation/Anion Difference

- mulcelos Review

CHAIN OF CUSTODY RECORD

7847

| Client: SAN JUAN RESOURCES Project Name / Location: APPERSON #1E | | | | | ANALYSIS / PARAMETERS | | | | | | | | | | | | | | | | | | |
|---|---------|----------|----------|---------------|-----------------------|-------------------------|--------------------------|----------|--------------|-------|------------|--------------------|---------|-----|-----|------|----------|-----|--|---------|------|-----|-----|
| Client Address: 7415 E. MANN FARMINGTON, NM 87402 VERN WORKWS | | | | | | | 8015) | d 8021) | 8260) | s | | | 0 | | | | | | | | | | |
| Client Phone No.: Client No.: | | | | | | | g | tho | por | leta | ion |] |) È |] | E. | ш | | | | <u></u> | tact | | |
| 505-320-1763 05217-0003 | | | | | | | Aeth | (Me | Meth | 8 N | / Ai | | with | | 118 | E | | | | Ŭ 0 | e u | | |
| Sample No./ | Sample | Sampl | e Lab No | 5 | ample | No./Volume | Pres | servativ | | Ж | C (I | RA | tion | _ | ۲. | I | L L | ō | | | | ldu | du |
| Identification | Date | Time | Lab NO. | | Matrix | or Containers | HgCL | hci | TP | BT | 9 | BC | Ca | l S | 12 | PAI | TP | 공 | | | | Sal | Sal |
| Wallstrep D | 8/27/07 | 4:001 | op 51451 | Soil Solid | Sludge Aqueous | | | | Х | Х | | | Х | | | | | | | | | ~ | |
| | | | | Soil Solid | Sludge Aqueous | | | | | | | | | | | | | | | | | | |
| | | | | Soil Solid | Sludge Aqueous | | 1 | | | | | | | | | | | | | | | | |
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| Here D A Jugar | | | | Slaght | 91,00 | | the Bar she | | | | | | | | 8/2 | 5/29 | 090 | 120 | | | | | |
| Relinquished by: (Sign | nature) | <u> </u> | <u> </u> | | 010.0101 | | F | Receiv | ed by: | (Sign | ature) |) | | | | | Ĵ | | | 0,-0 | | | |
| Relinquished by: (Signature) | | | | | <u> </u> | F | Received by: (Signature) | | | | | | | | | | | | | | | | |
| | | | 5796 L | JS Highwa | y 64 • Farmin | en An gton, NM 87 | 401 | ytic |) (al Lo | | C (aio | h ry virotec | h-inc.c | com | | | <u>.</u> | | | 1 | | L | |