Bratcher, Mike, EMNRD

From: Bratcher, Mike, EMNRD

Sent: Wednesday, October 19, 2011 9:08 AM

To: mbarrett@limerockresources.com.; Jerry Smith

Cc: 'David Adkins'; Michael Stubblefield; 'Gladden, Natalie'

Subject: LimeRock AID 24 St Com 1 Release

Reference: Lime Rock Resources * AID 24 St Com 1 * 30-015-22878 * N-24-17s-28e * Eddy County, New Mexico NMOCD Reference Number: 2RP-809 * DOR: 7/21/11

Greetings,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of a document titled "Soil Assessment Results and Remediation Work Plan", and dated September 9, 2011(plan). The plan was formulated and presented to OCD by Lime Rock Resources' agent, Talon, LPE. The plan presents analytical data and outlines methods to be used in remediation of the above referenced produced fluid release. It is OCD's understanding that the release was from a Lime Rock transfer line and the released fluids ran across a well site operated by Apache Corporation. The well site affected is the following:

Apache Corporation * D State 005 * 30-015-31422 * M-26-17s-28e * Eddy County, New Mexico

Samples were obtained on the D State well pad (S-5 and S-3) for background data. OCD does not consider these samples to be native background, and the elevated chloride levels encountered are likely the result of historic production activity. At this time, OCD will require Lime Rock to only address material contaminated as a result of this release, as proposed.

The plan presented is approved with the following conditions and/or stipulations:

- Notify OCD District 2 Office 48 hours prior to commencement of remedial activities.
- Notify OCD District 2 Office 48 hours prior to obtaining any samples where the analyses will be submitted to OCD.
- Subsequent to excavation activities, representative confirmation samples are to be obtained from excavation bottom and sidewalls. The excavation may be divided in to two or more sections and composite sampling method utilized for obtaining the confirmation samples. These samples are to be analyzed at an approved lab, with the results submitted to OCD. The operator may elect to utilize field testing methods to eliminate down time waiting for lab analyses, however, if the excavation is backfilled based on field data, re-excavation may be required based on the lab data.
- Notify OCD District 2 Office prior to backfilling any excavation.
- In the area of "S-6", it is OCD's understanding that this area is a pipeline right of way(ROW), and that a portion of the spill footprint overlays the ROW. OCD would request that as much impacted material as is practicable and safe to remove in this area, be removed. Safety is the responsibility of the operator and contractor. OCD will not ask for compromise regarding safety issues. Due to the elevated contaminant levels at S-6, OCD will request representative samples be obtained from the West side of the ROW (maintaining a safe distance from the ROW) to show lateral and/or vertical definition of the release area, beyond the ROW.
- Submit a Form C-141 Final Report and closure report to OCD upon satisfactory completion of project.
- Project is to be completed and closure documents submitted to OCD not later than December 19, 2011.
- Like approval by any other regulatory authority as may be applicable.

Be advised, OCD approval does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the

environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If you have any questions or concerns, and for notifications, please contact me.

Mike Bratcher

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Microsoft Outlook

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mbarrett@limerockresources.com.; Jerry Smith; David Adkins; Michael Stubblefield; Gladden,

Natalie

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Relayed: LimeRock AID 24 St Com 1 Release

Delivery to these recipients or groups is complete, but no delivery notification was sent by the destination server:

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