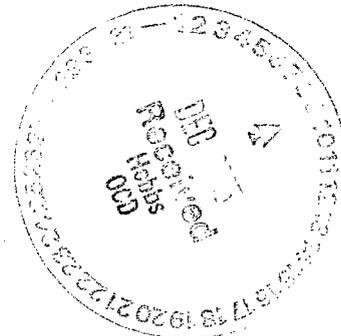


December 6, 2005

VIA EMAIL: [paul.sheeley@state.nm.us](mailto:paul.sheeley@state.nm.us)  
VIA CERTIFIED MAIL

Mr. Paul Sheeley  
Environmental Engineer  
State of New Mexico  
Oil Conservation Division  
1625 North French Drive  
Hobbs, New Mexico 88240



**Re: Revised Flow Line Leak Investigation Report and Remediation Plan, John H. Hendrix Corporation, Walter Lynch #1 Well, Unit Letter K (NE/4, SW/4), Section 1, Township 22 South, Range 37 East, Lea County, New Mexico**

Dear Mr. Sheeley:

This letter is submitted to the State of New Mexico Oil Conservation Division ("OCD") on behalf of John H. Hendrix Corporation ("JHHC") by Larson and Associates, Inc. ("LA"), its agent, and presents the results of an investigation of a crude oil leak from a flow line in unit letter K ("NE/4, SW/4"), Section 1, Township 22 South, Range 37 East in Lea County, New Mexico. The leak was discovered on August 30, 2005, and immediately reported to OCD. Form C-141 was submitted to OCD by JHHC on August 30, 2005. The leak occurred approximately 400 feet southwest of the Walter Lynch #1 well, involved approximately 2 barrels of crude oil and no product was recovered. The latitude and longitude for the leak is North 32° 25' 08.2" and West 103° 07' 09.7". Figure 1 presents a location and topographic map. Appendix A presents Form C-141.

#### Current Investigation

On September 9 and 12, 2005, LA personnel collected soil samples from six (6) locations (SP-1 through SP-6) using a Terraprobe® direct-push system. The Terraprobe® hydraulically pushes or percussion hammers a stainless steel core barrel into the subsurface and collects a soil core sample about four (4) feet long. Two (2) composite samples were generally collected from each core sample (i.e., 0 to 1', 1 to 3', 4 to 5', 5 to 6' etc.) to total depth and depending on sample recovery. Samples were collected for laboratory and headspace analysis. The laboratory samples were placed in 4-ounce glass sample jars filled to near zero headspace, labeled, chilled in an ice chest, and delivered under chain of custody control to Environmental Lab of Texas, Inc. ("ELTI"), located in Odessa, Texas. The headspace samples were collected in 8-ounce jars that were partially filled to leave an open headspace near the top of the container before sealing the container opening with a layer of aluminum foil and securely tightening the lid. The concentration of organic vapors in the headspace samples was measured using a calibrated photoionization detector ("PID") after the samples had warmed to near ambient temperature (approximately 30 minutes), at which time the PID probe was inserted into the container headspace, through the aluminum foil and the concentration of organic vapors was measured in parts per million ("ppm"). The maximum depth of Terraprobe® penetration was approximately eleven (11) feet below ground surface ("bgs") at location SP-3. The borings were plugged with

bentonite and samples were visually examined using the Unified Soil Classification System ("USCS"). Figure 2 presents a Site drawing. Appendix B presents the boring logs.

The laboratory analyzed samples for benzene, toluene, ethyl benzene and xylene ("BTEX") using method SW-846-8021B, if PID readings exceeded 100 ppm. The laboratory analyzed samples for total petroleum hydrocarbons ("TPH") using method SW-846 8015 for gasoline range organics ("GRO") and diesel range organics ("DRO"), and chloride by method SW-846-300. Table 1 presents a summary of the PID and laboratory analysis. Appendix C presents the laboratory report. Appendix D presents photographs.

### Setting

The leak occurred approximately 3 miles southeast of Eunice, New Mexico, at an elevation of approximately 3350 feet above mean sea level ("AMSL"). Monument Draw is located about 2,800 feet east of the leak and is an intermittent stream that flows southeast. The area is covered with wind blown sand that overlies the Ogallala formation (Tertiary). The Ogallala formation consists of unconsolidated to well-cemented sand and sandstone that is interstratified with clay, silt and gravel. The Ogallala formation overlies the Chinle formation (Triassic), which is known as "red bed". The red bed consists of mudstone, siltstone and sandstone.

The Office of the New Mexico State Engineer ("OSE") in Roswell, New Mexico, indicates that groundwater occurs at approximately 54 feet bgs, which is close to the cut-off for consideration of a higher ranking score. No wells were identified within 1,000 feet of the location. Recommended remediation action levels ("RRAL") were calculated using the following criteria published by OCD ("Guidelines for Remediation of Leaks, Spills and Releases, August 13, 1993"):

Ranking Criteria	Result	Ranking Score
Depth-to-Groundwater	<50 feet	20
Wellhead Protection Area	No	0
Distance to Surface Water Body	>1000 Horizontal Feet	0
	<b>Total Score:</b>	<b>20</b>

The following RRAL are assigned to the leak based on the total ranking score (20):

<b>Benzene</b>	<b>10 mg/kg</b>
<b>Total BTEX</b>	<b>50 mg/kg</b>
<b>TPH</b>	<b>100 mg/kg</b>

### Conclusions

Benzene exceeded the RRAL in sample SP-3, 1 to 3 feet (8.45 mg/Kg). Total BTEX (sum of benzene, toluene, ethyl benzene and xylene) exceeded the RRAL in samples SP-3, 0 to 1 feet (85.15 mg/Kg) and SP-3, 1 to 3 feet (136.46 mg/Kg). TPH exceeded the RRAL in samples SP-2, 0 to 1 feet (18,386 mg/Kg), SP-2, 1 to 2.8 feet (244.04 mg/Kg), SP-3, 0 to 1 feet (27,770 mg/Kg), SP-3, 1 to 3 feet (5,970 mg/Kg), SP-4, 0 to 1 feet (15,150 mg/Kg), SP-5, 0 to 1 feet (19,400 mg/Kg), SP-6, 0 to 1 feet (5,902 mg/Kg) and SP-6, 1 to 2.5 feet (979 mg/Kg). There is no RRAL for chloride, but soil will be excavated to reduce chloride below 1,000 mg/Kg.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

January 5, 2006

Marvin Burrows/JHHC  
John H. Hendrix Corp., (JHHC)  
110 N. Marienfeld St., Ste. 400  
Midland, TX 79701

Re: Walter Lynch #1 Well - Investigation Work Plan Approval  
Site Location: UL-K, Sec 1-T22S-R37E  
Dated: December 6, 2005

Dear Mr. Burrows,

New Mexico Oil Conservation Division (OCD) received an investigation work plan prepared by Larson & Associates for JHHC and referenced above. The plan is **hereby approved** with the following additional requirements:

1. JHHC shall dispose of contaminated material according to OCD protocol.
2. JHHC shall propose a soil remediation level demonstrating that remaining chloride contamination will not cause an exceedance of the New Mexico Water Quality Control Commission (WQCC) groundwater standard of 250 mg/L [Chloride].

Please be advised that OCD approval of this plan does not relieve JHHC of liability should their operations fail to adequately investigate and remediate contaminants that threaten ground water, surface water, human health or the environment. In addition, OCD approval does not relieve JHHC of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you have any questions or need assistance please write or call: (505) 393-6161, ext. 113, or e-mail: [psheeley@state.nm.us](mailto:psheeley@state.nm.us)

Sincerely,

Paul Sheeley-Environmental Engineer

Cc: Roger Anderson - Environmental Bureau Chief  
Chris Williams - District I Supervisor  
Larry Johnson - Environmental Engineer  
Mark Larson - Larson & Associates

Mr. Paul Sheeley  
December 6, 2005  
Page 3

Additional investigation will be performed during remediation to delineate chloride to 250 mg/Kg or background, whichever is greater.

**Remediation Plan**

Soil will be removed from the area of the leak to an approximate depth of three (3) feet bgs to reduce BTEX and TPH below the RRAL and chloride below 1,000 mg/Kg. Additional soil will be removed to approximately ten (1) feet bgs near the leak (SP-3) to reduce BTEX and TPH below the RRAL and chloride below 1,000 mg/Kg. Additional investigation will be performed in the vicinity of sample locations SP-3, SP-4, SP-5 and SP-6 to delineate the lateral and vertical extent of chloride to near 250 mg/Kg or background, whichever is greater. Soil samples will be collected from the bottom and sides of the excavation and analyzed by a qualified laboratory for BTEX, TPH and chloride. The excavated soil will be hauled to the JHHC permitted landfarm (NM-02-0021) located northwest of Jal, New Mexico. Clean soil will be placed in the excavation and seeded to range grasses. A final report will be submitted to OCD within 45 days following receipt of the laboratory report. Your approval of the remediation plan is requested. If you have questions, please call Mr. Marvin Burrows with JHHC at (505) 394-2649, myself at (432) 687-0901 or email [mburrows@valornet.com](mailto:mburrows@valornet.com) or [Mark@LAEnvironmental.com](mailto:Mark@LAEnvironmental.com).

Sincerely,

*Larson and Associates, Inc.*



Mark J. Larson, P.G., C.P.G., C.G.W.P.  
Senior Project Manager/President

Encl

cc: Marvin Burrows/JHHC  
Ron Westbrook/JHHC  
Chris Williams/OCD - Hobbs  
Ed Martin/OCD - Santa Fe

**TABLES**

**Table 1: Summary of Field and Laboratory Analysis of Soil Samples**  
**John H. Hendrix Corporation, Walter Lynch #1**  
**Unit Letter K (NE/4,SW/4), Section 1, Township 22 South, Range 37 East**  
**Lea County, New Mexico**

Boring Number	Sample Date	Sample Depth (Feet BGS)	PID (ppm)	Benzene (mg/kg)		GRO C6 C12 (mg/kg)	DRO >C12-C35 (mg/kg)	TPH C6-C35 (mg/kg)	Chloride (mg/kg)
				10	50				
<b>RRAL</b>									
SP-1	9/9/2005	0 - 1	15.4	---	---	<10	<10	<20	31.9
	9/9/2005	1 - 2.8	2.0	---	---	<10	<10	<20	138
	9/9/2005	4 - 6	0.1	---	---	<10	<10	<20	159
	9/9/2005	6 - 7.8	0.1	---	---	---	---	---	---
SP-2	9/12/2005	0 - 1	120.0	<0.025	0.0882	986	17,400	18,386	1,440
	9/12/2005	1 - 2.8	20.5	---	---	5.04	239	244.04	159
	9/12/2005	4 - 5	7.0	---	---	<10	28.2	28.2	31.9
	9/12/2005	5 - 6	23.4	---	---	---	---	---	---
	9/12/2005	6 - 8	4.0	---	---	---	---	---	---
SP-3	9/12/2005	0 - 1	750.0	1.75	85.15	6,370	21,400	27,770	5,640
	9/12/2005	1 - 3	1450.0	8.45	136.46	2,430	3,540	5,970	9,250
	9/12/2005	4 - 5	402.0	0.0105	0.5	10.3	82.4	92.7	5,420
	9/12/2005	5 - 6	708.0	---	---	<10	<10	<20	6,810
	9/12/2005	6 - 7	3.0	---	---	---	---	---	7,530
	9/12/2005	8 - 9	47.4	---	---	---	---	---	4,140
	9/12/2005	9 - 11	15.2	---	---	---	---	---	622
SP-4	9/12/2005	0 - 1	220.0	0.0584	25.6684	2,750	12,400	15,150	2,450
	9/12/2005	1 - 2.8	51.6	---	---	<10	9.64	9.6	298
	9/12/2005	4 - 5	142.0	<0.025	0.2898	8.77	18.6	27.37	670
	9/12/2005	5 - 6	0.1	---	---	<10	<10	<20	308
	9/12/2005	6 - 8	0.1	---	---	---	---	---	292
SP-5	9/12/2005	0 - 1	68.7	---	---	1,300	18,100	19,400	681
	9/12/2005	1 - 2.8	20.8	---	---	<10	<10	<20	1,000
	9/12/2005	4 - 5	2.8	---	---	<10	<10	<20	989
	9/12/2005	5 - 6	0.1	---	---	---	---	---	750

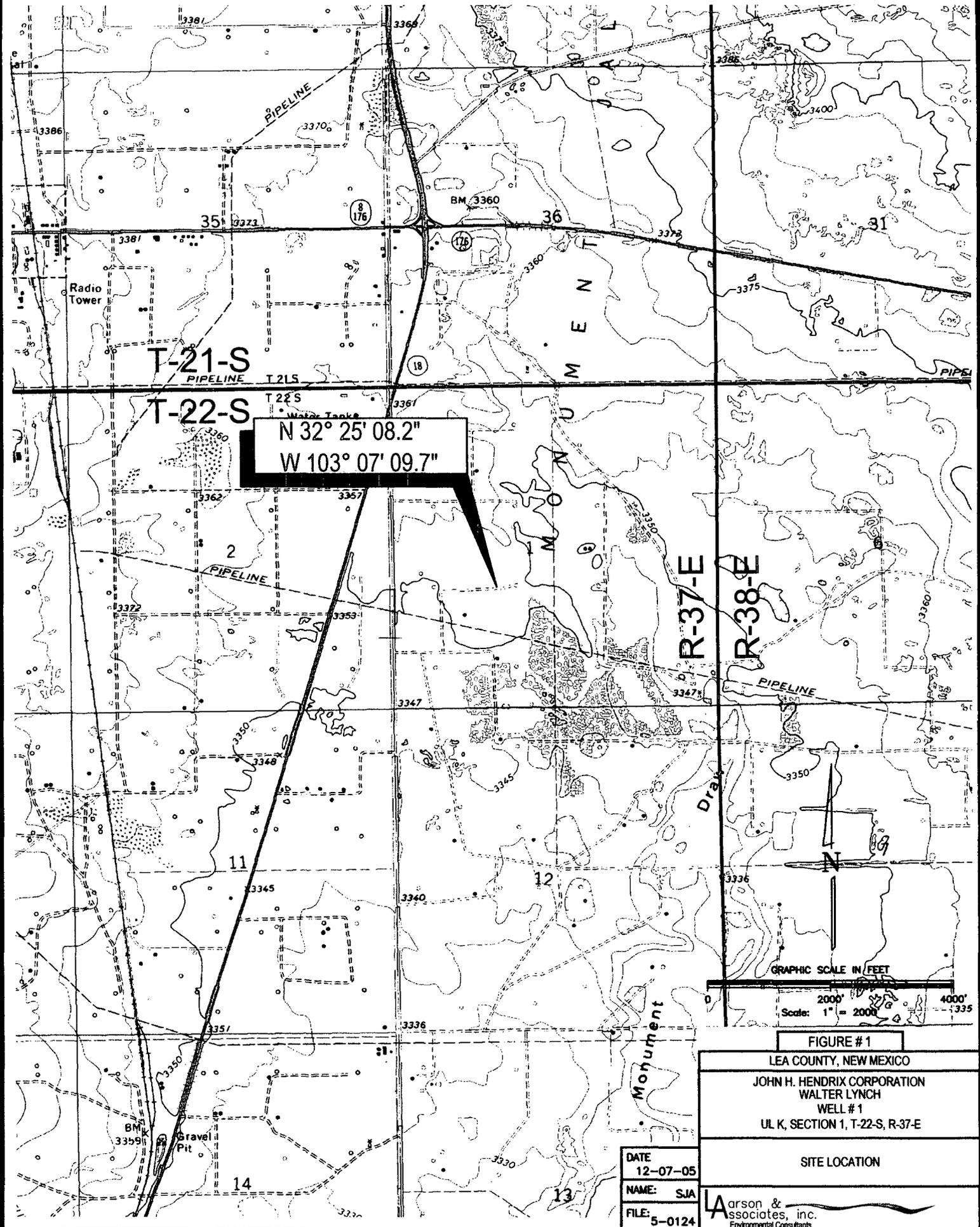
**Table 1: Summary of Field and Laboratory Analysis of Soil Samples**  
**John H. Hendrix Corporation, Walter Lynch #1**  
**Unit Letter K (NE/4,SW/4), Section 1, Township 22 South, Range 37 East**  
**Lea County, New Mexico**

Boring Number	Sample Date	Sample Depth (Feet BGS)	PID (ppm)	Benzene (mg/kg)	BTEX (mg/kg)	GRO C6 C12 (mg/kg)	DRO >C12-C35 (mg/kg)	TPH C6-C35 (mg/kg)	Chloride (mg/kg)
RRAL				10	50	100			
SP-5	9/12/2005	6 - 7.8	0.1	---	---	---	---	---	1,460
SP-6	9/12/2005	0 - 1	95.7	---	---	762	5,140	5,902	1,030
	9/12/2005	1 - 2.5	53.6	---	---	115	864	979	1,540
	9/12/2005	4 - 5	9.2	---	---	<10	<10	<20	915
	9/12/2005	5 - 6	0.4	---	---	---	---	---	389
	9/12/2005	6 - 8	0.2	---	---	---	---	---	709

Notes: Analysis performed by Environmental Lab of Texas, I. Ltd., Odessa, Texas

1. BGS: Sample depth in feet below ground surface
2. TPH: Total petroleum hydrocarbons (Sum of DRO + GRO)
3. mg/kg: Milligrams per kilogram
4. <: Below method detection limit
5. PID: Photoionization detector
6. ppm: Parts per million
7. ---: No data available
8. BTEX: Sum of benzene, toluene, ethylbenzene and xylene
9. GRO: Gasoline - range organics
10. DRO: Diesel - range organics

**FIGURES**



N 32° 25' 08.2"  
W 103° 07' 09.7"



FIGURE #1  
LEA COUNTY, NEW MEXICO  
JOHN H. HENDRIX CORPORATION  
WALTER LYNCH  
WELL #1  
UL K, SECTION 1, T-22-S, R-37-E

DATE  
12-07-05  
NAME: SJA  
FILE: 5-0124

SITE LOCATION  
Larson & Associates, Inc.  
Environmental Consultants

LOCATION  
N 32° 25' 08.2"  
W 103° 07' 09.7"

WALTER LYNCH #1

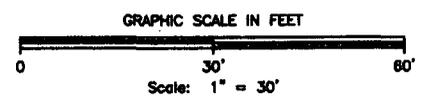
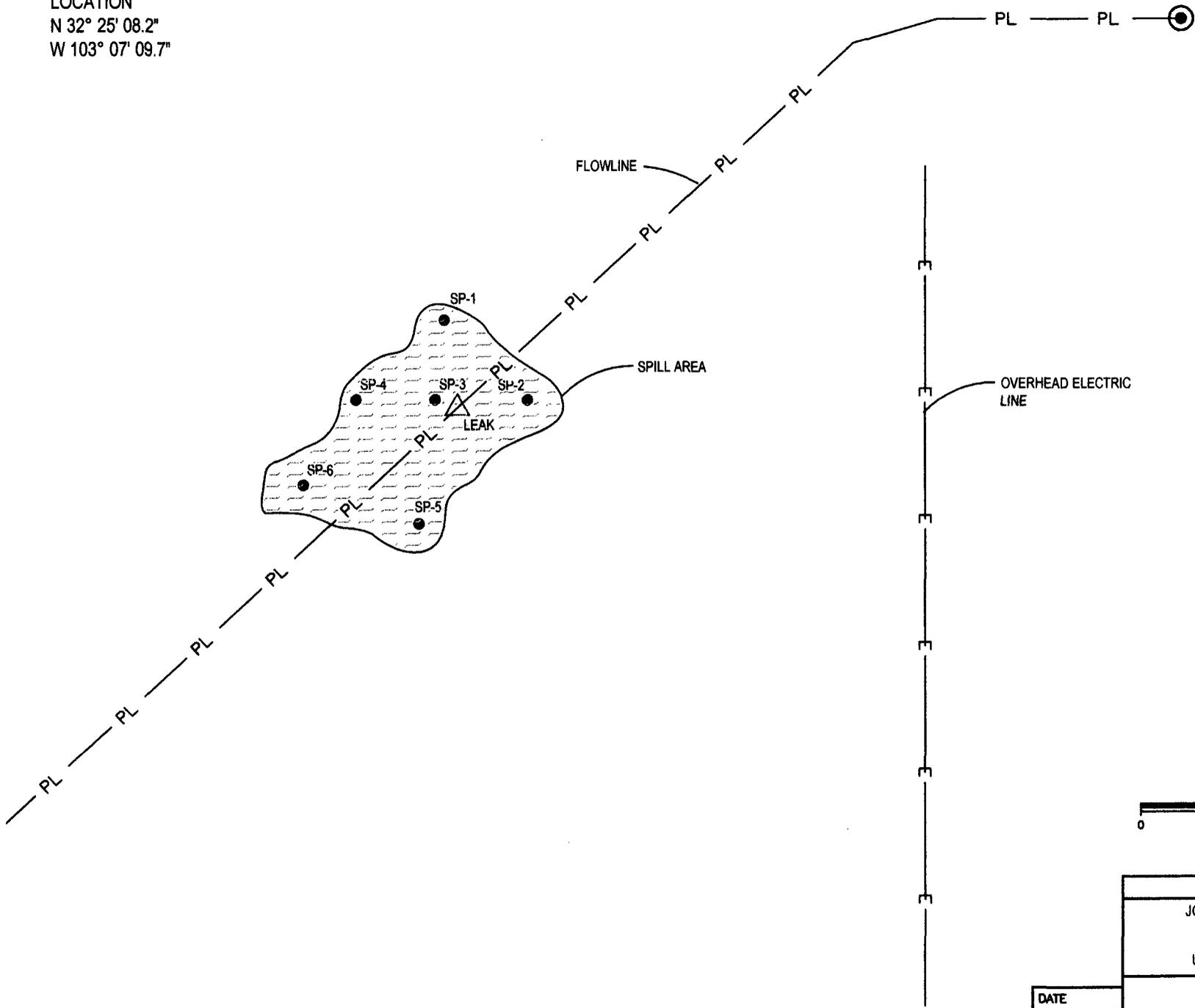


FIGURE # 2  
LEA COUNTY, NEW MEXICO  
JOHN H. HENDRIX CORPORATION  
WALTER LYNCH  
WELL # 1  
UL K, SECTION 1, T-22-S, R-37-E

DATE  
12-07-05  
NAME: SJA  
FILE: 5-0124

SPILL SITE DRAWING  
Larson & associates, inc.  
Environmental Consultants

**APPENDIX A**

**Form C-141**

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**

Name of Company: <u>John H. Hendrix</u>		Contact: <u>MARVIN BURNOWS</u>	
Address: <u>Box 910, Eunice, NM 88231</u>		Telephone No.: <u>505-394-2649</u>	
Facility Name: <u>Walter Lynch #1</u>		Facility Type: <u>Flowline</u>	

Surface Owner: Kennano Mineral Owner: Kennano Lease No.: API 30-025-09942-0d-02

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<u>1C</u>	<u>1</u>	<u>22S</u>	<u>37E</u>	<u>1980'</u>	<u>South</u>	<u>1980'</u>	<u>West</u>	<u>Lea</u>

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

**NATURE OF RELEASE**

Type of Release: <u>OIL/WATER</u>	Volume of Release: <u>2 BBLs</u>	Volume Recovered: <u>0</u>
Source of Release: <u>Flowline</u>	Date and Hour of Occurrence: <u>7 AM 8/30/05</u>	Date and Hour of Discovery: <u>9 AM 8/30/05</u>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? <u>OCD</u>	
By Whom? <u>MARVIN BURNOWS</u>	Date and Hour: <u>3:00 PM 8/30/05</u>	
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 \*

Describe Cause of Problem and Remedial Action Taken.\*

Pinhole in Flowline

Describe Area Affected and Cleanup Action Taken.\*

6' x 20', 2' x 20' none

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCU 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 NMOCU 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, NMOCU 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: <u>Marvin Burnows</u>	<b>OIL CONSERVATION DIVISION</b>		
Printed Name: <u>MARVIN BURNOWS</u>	Approved by District Supervisor		
Title: <u>PROP. MGR.</u>	Approval Date:	Expiration Date:	
E-mail Address: <u>mburnows@valonnet.com</u>	Conditions of Approval:		Attached <input type="checkbox"/>
Date: <u>8/30/05</u>	Phone: <u>505-</u>		

\* Attach Additional Sheets If Necessary

394-2649

**APPENDIX B**

**Boring Logs**

Client: John Hendrix Corporation

Log: SP - 1

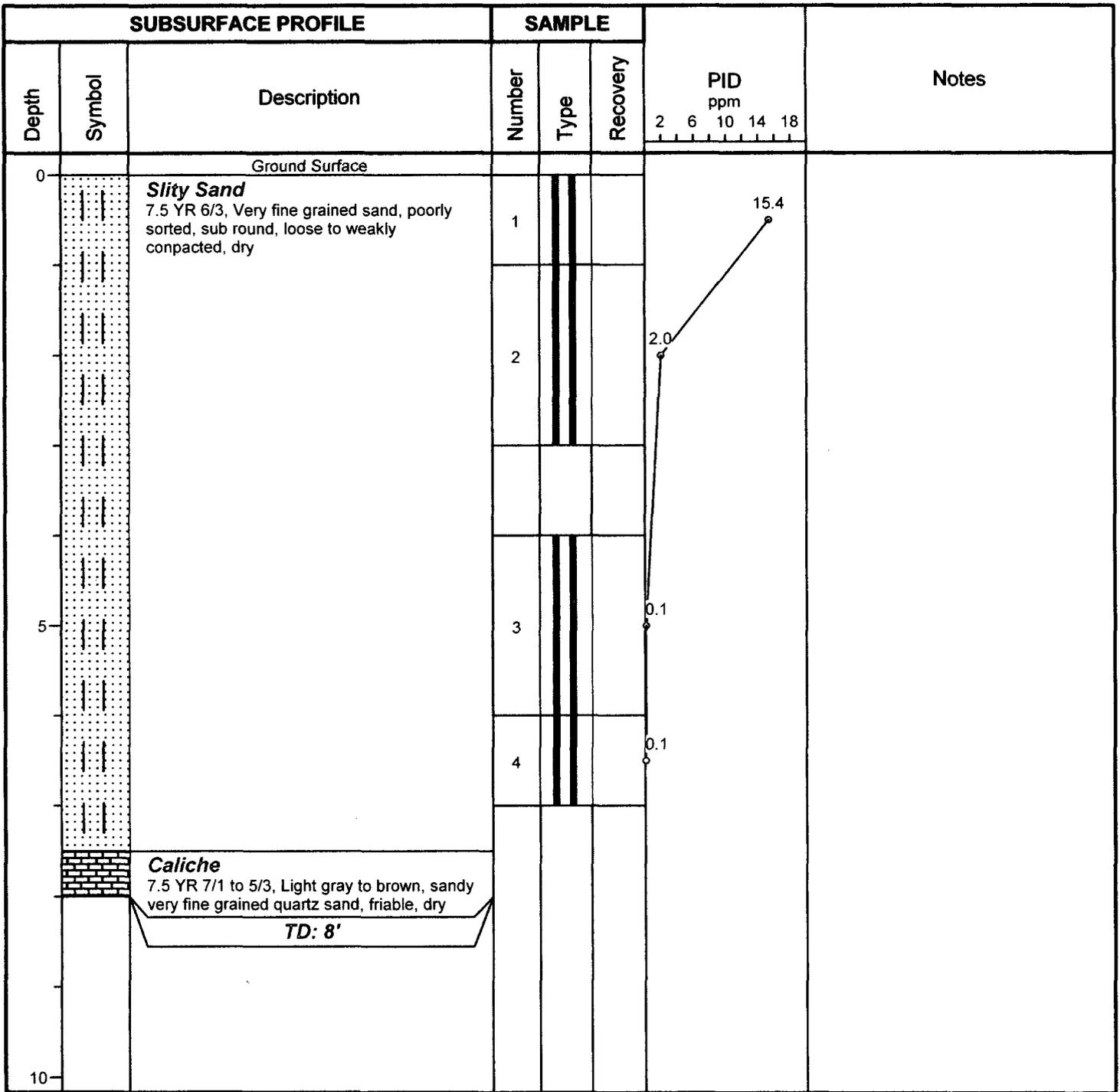
Project: Walter Lynch # 1

Page: 1 of 1

Project No: 5-0124

Geologist: Mark Larson

Location: Lea County, New Mexico



Drill Method: Direct Push

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

Elevation: N/A

Drill Date: 9/9/05

Checked by: MJL

Hole Size: 0.25'

Drilled by: LA

Client: John Hendrix Corporation

Project: Walter Lynch # 1

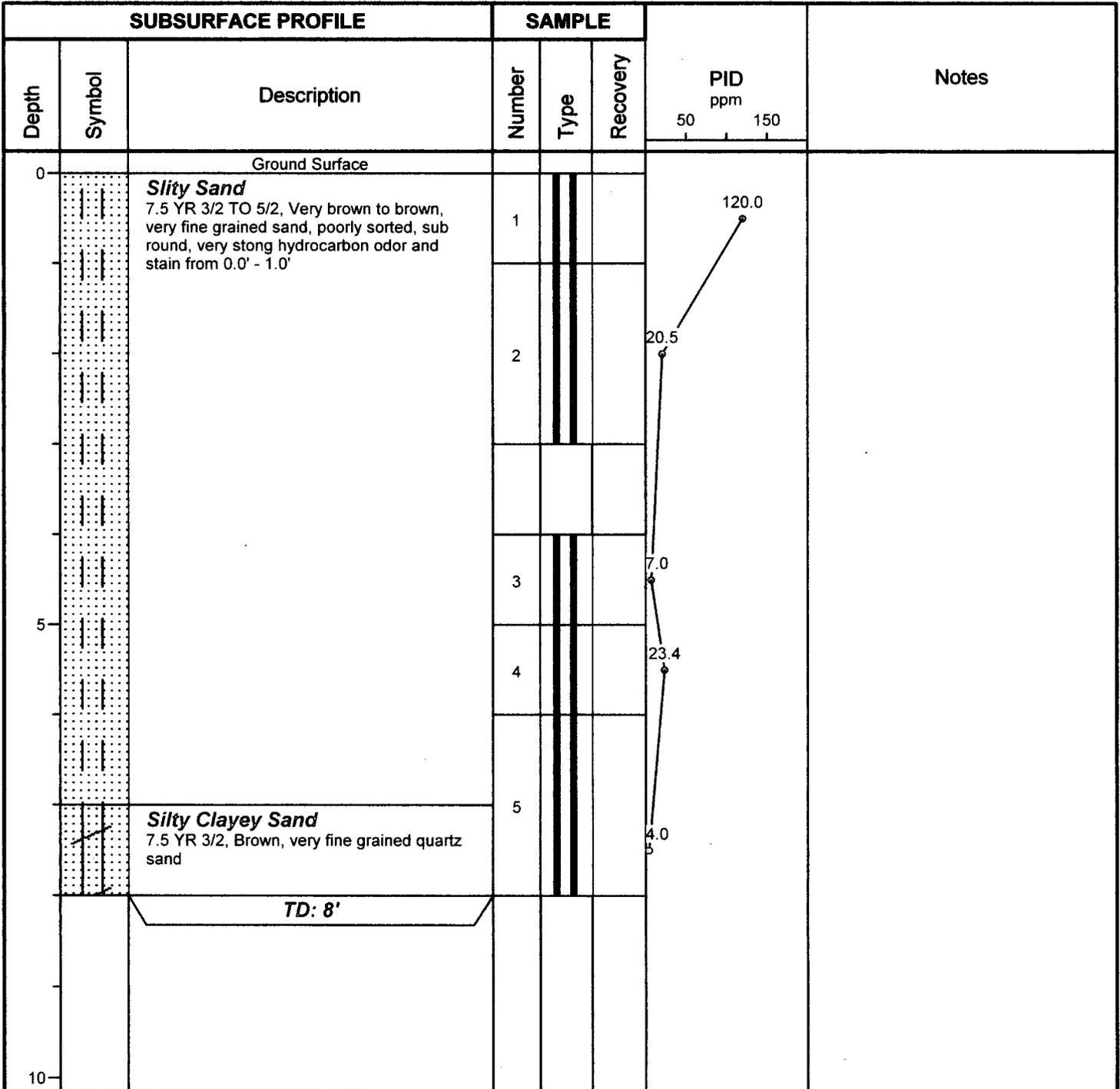
Project No: 5-0124

Location: Lea County , New Mexico

Log: SP - 2

Page: 1 of 1

Geologist: Mark Larson



Drill Method: Direct Push

Drill Date: 9/12/05

Hole Size: 0.25'

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

Elevation: N/A

Checked by: MJL

Drilled by: LA

**Client:** John Hendrix Corporation

**Log: SP - 3**

**Project:** Walter Lynch # 1

**Page:** 1 of 1

**Project No:** 5-0124

**Location:** Lea County, New Mexico

**Geologist:** Mark Larson

SUBSURFACE PROFILE			SAMPLE			PID ppm 500 1500	Notes
Depth	Symbol	Description	Number	Type	Recovery		
0		Ground Surface					
		<b>Silty Sand</b> 7.5 YR 3/2 TO 5/2, Very brown to brown, very fine grained sand, poorly sorted, sub round, very strong hydrocarbon odor and stain	1			750.0	
			2			1450.0	
			3			402.0	
5			4			708.0	
			5			3.0	
		<b>Silty Clayey Sand</b> 7.5 YR 3/2 TO 5/6, Brown to strong brown, very fine grained quartz sand, very poorly sorted, firm	6			47.4	
10			7			15.2	
		<b>Caliche</b> 7.5 YR 7/2 to 6/3, pinkish gray to light brown, sandy, very fine grained quartz sand, friable					
		<b>TD: 12'</b>					
15							

**Drill Method:** Direct Push

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

**Elevation:** N/A

**Drill Date:** 9/12/05

**Checked by:** MJL

**Hole Size:** 0.25'

**Drilled by:** LA

Client: John Hendrix Corporation

Log: SP - 4

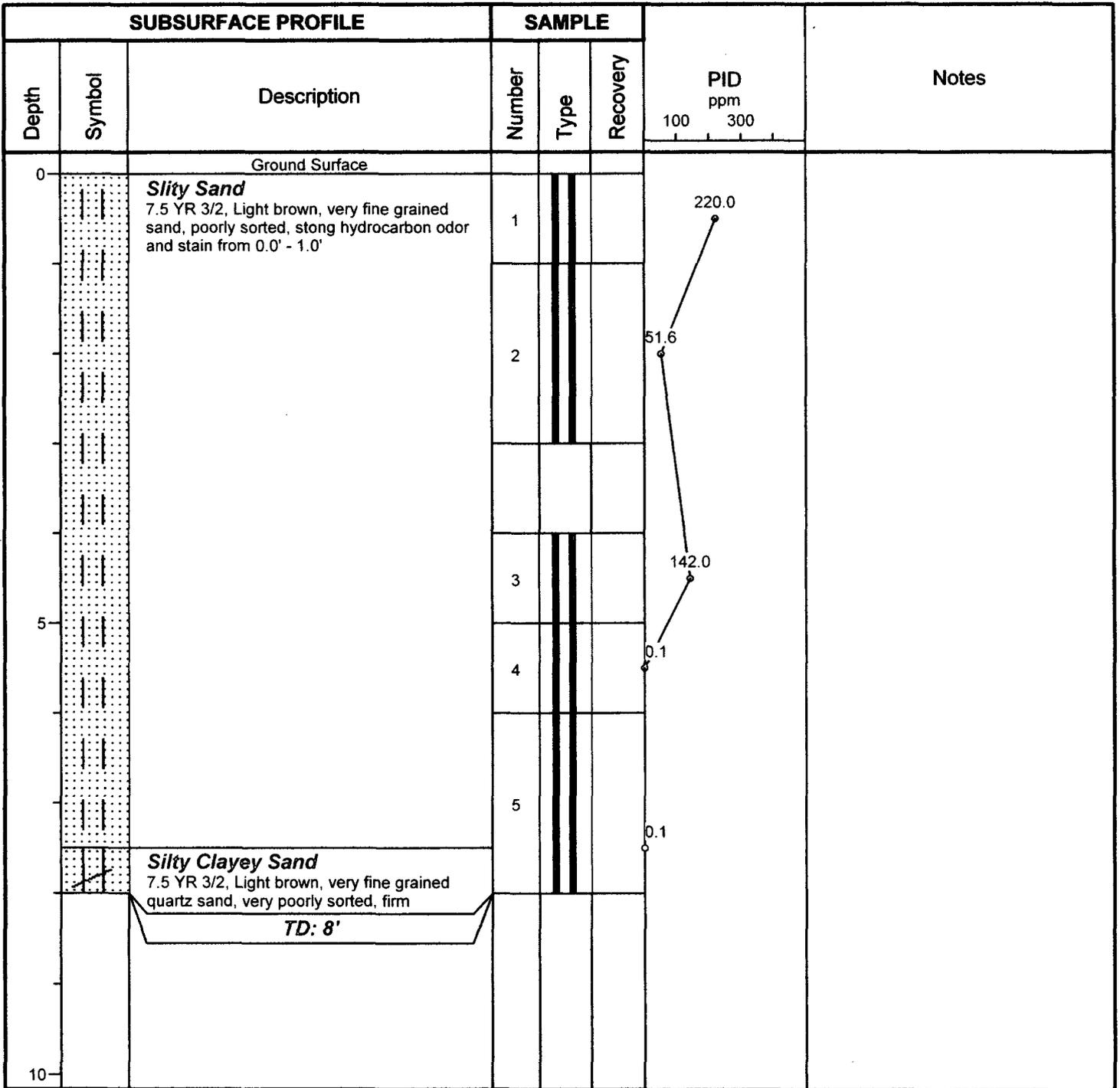
Project: Walter Lynch # 1

Page: 1 of 1

Project No: 5-0124

Geologist: Mark Larson

Location: Lea County, New Mexico



Drill Method: Direct Push

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

Elevation: N/A

Drill Date: 9/12/05

Checked by: MJL

Hole Size: 0.25'

Drilled by: LA

Client: John Hendrix Corporation

Log: SP - 5

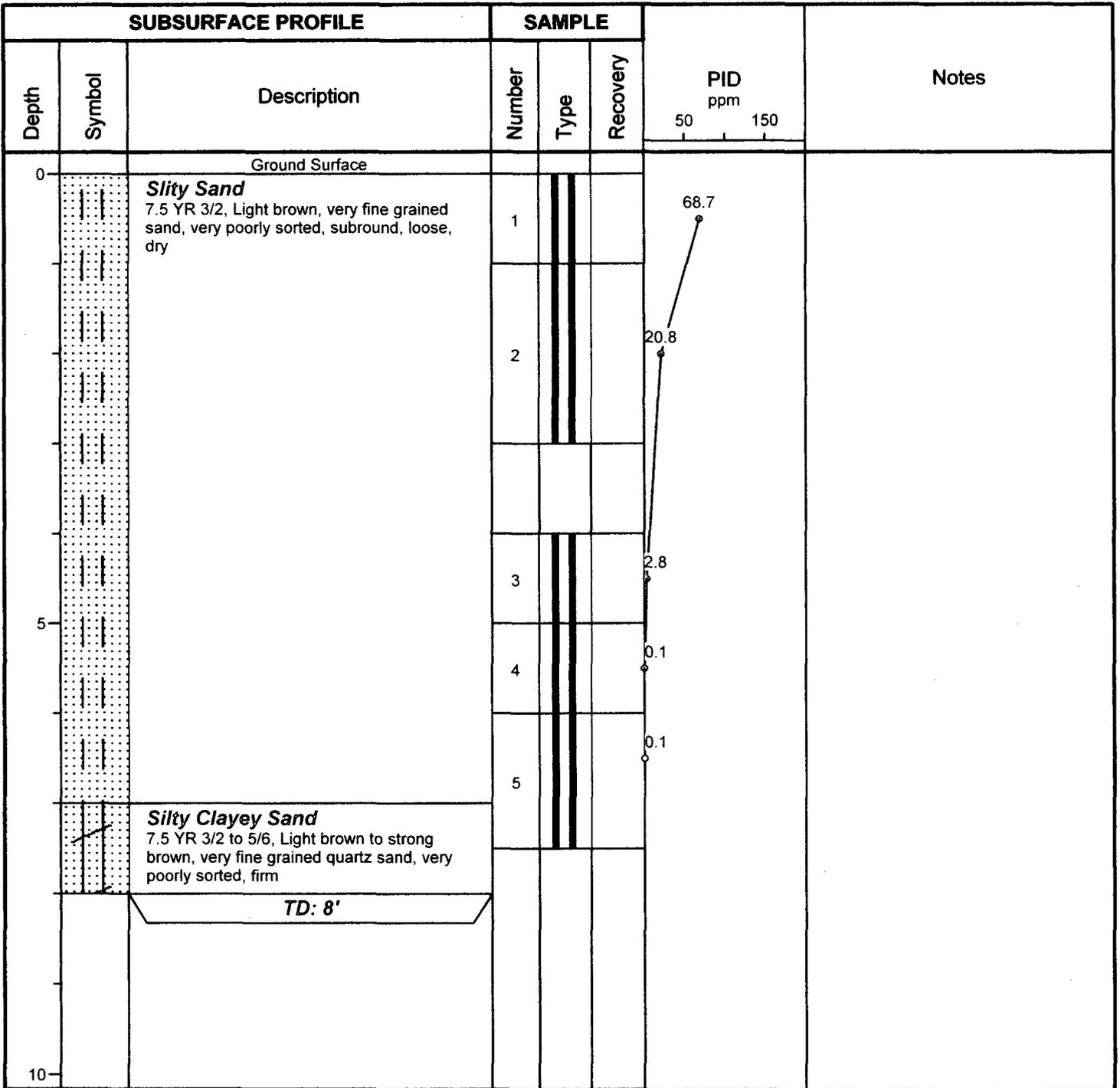
Project: Walter Lynch # 1

Page: 1 of 1

Project No: 5-0124

Geologist: Mark Larson

Location: Lea County, New Mexico



Drill Method: Direct Push

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

Elevation: N/A

Drill Date: 9/12/05

Checked by: MJL

Hole Size: 0.25'

Drilled by: LA

Client: John Hendrix Corporation

Log: SP - 6

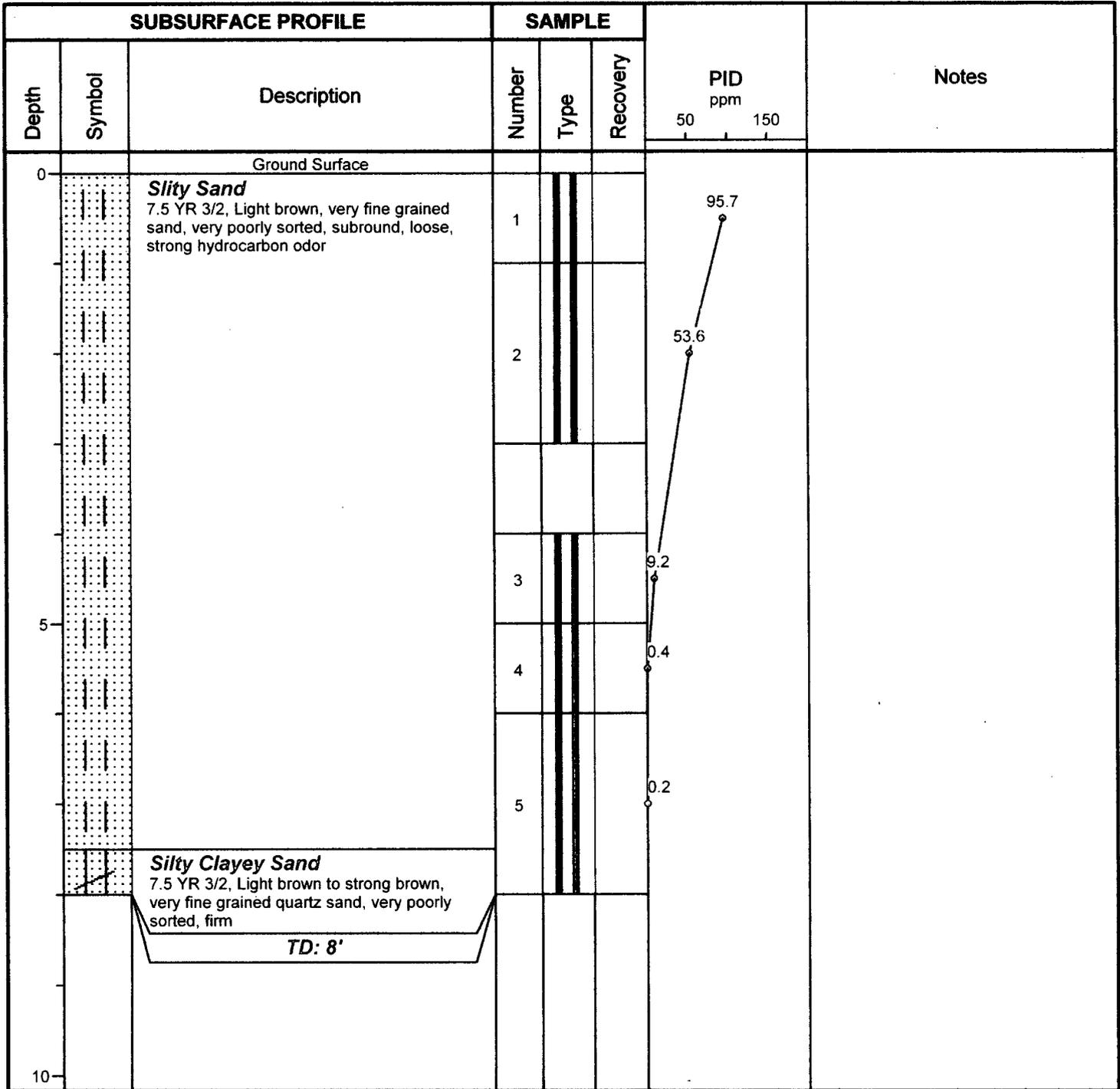
Project: Walter Lynch # 1

Page: 1 of 1

Project No: 5-0124

Geologist: Mark Larson

Location: Lea County, New Mexico



Drill Method: Direct Push

Larson and Associates, Inc  
507 N. Marienfeld, Suite 202  
Midland, Texas 79701  
(432) 687-0901

Elevation: N/A

Drill Date: 9/12/05

Checked by: MJL

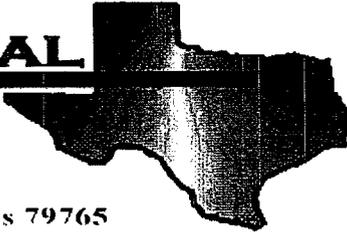
Hole Size: 0.25'

Drilled by: LA

**APPENDIX C**

**Laboratory Reports**

**E** NVIRONMENTAL  
LAB OF



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Mark Larson

Larson & Associates, Inc.

P.O. Box 50685

Midland, TX 79710

Project: John H. Hendrix/ Walter Lynch #1

Project Number: 5-0124

Location: None Given

Lab Order Number: 5I29001

Report Date: 10/06/05

Larson & Associates, Inc.  
P.O. Box 50685  
Midland TX, 79710

Project: John H. Hendrix/ Walter Lynch #1  
Project Number: 5-0124  
Project Manager: Mark Larson

Fax: (432) 687-0456

Reported:  
10/06/05 14:36

### ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
SP-3, 6-7'	5I29001-01	Soil	09/12/05 12:00	09/13/05 08:45
SP-3, 8-9'	5I29001-02	Soil	09/12/05 12:15	09/13/05 08:45
SP-3, 9-11'	5I29001-03	Soil	09/12/05 12:15	09/13/05 08:45
SP-4, 6-8'	5I29001-04	Soil	09/12/05 13:15	09/13/05 08:45
SP-5, 5-6'	5I29001-05	Soil	09/12/05 12:44	09/13/05 08:45
SP-5, 6-7.8'	5I29001-06	Soil	09/12/05 12:44	09/13/05 08:45
SP-6, 5-6'	5I29001-07	Soil	09/12/05 13:37	09/13/05 08:45
SP-6, 6-8'	5I29001-08	Soil	09/12/05 13:37	09/13/05 08:45

Larson & Associates, Inc.  
P.O. Box 50685  
Midland TX, 79710

Project: John H. Hendrix/ Walter Lynch #1  
Project Number: 5-0124  
Project Manager: Mark Larson

Fax: (432) 687-0456

Reported:  
10/06/05 14:36

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>SP-3, 6-7' (5I29001-01) Soil</b>									
Chloride	7530	100	mg/kg	200	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-3, 8-9' (5I29001-02) Soil</b>									
Chloride	4140	50.0	mg/kg	100	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-3, 9-11' (5I29001-03) Soil</b>									
Chloride	622	10.0	mg/kg	20	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-4, 6-8' (5I29001-04) Soil</b>									
Chloride	292	10.0	mg/kg	20	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-5, 5-6' (5I29001-05) Soil</b>									
Chloride	450	10.0	mg/kg	20	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-5, 6-7.8' (5I29001-06) Soil</b>									
Chloride	1460	20.0	mg/kg	40	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-6, 5-6' (5I29001-07) Soil</b>									
Chloride	389	10.0	mg/kg	20	EJ50402	09/30/05	10/04/05	EPA 300.0	
<b>SP-6, 6-8' (5I29001-08) Soil</b>									
Chloride	709	10.0	mg/kg	20	EJ50402	09/30/05	10/04/05	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 2 of 4

Larson & Associates, Inc.  
P.O. Box 50685  
Midland TX, 79710

Project: John H. Hendrix/ Walter Lynch #1  
Project Number: 5-0124  
Project Manager: Mark Larson

Fax: (432) 687-0456

Reported:  
10/06/05 14:36

**General Chemistry Parameters by EPA / Standard Methods - Quality Control**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD	RPD Limit	Notes
<b>Batch EJ50402 - Water Extraction</b>									
<b>Blank (EJ50402-BLK1)</b>					Prepared: 09/30/05 Analyzed: 10/04/05				
Chloride	ND	0.500	mg/kg						
<b>LCS (EJ50402-BS1)</b>					Prepared: 09/30/05 Analyzed: 10/04/05				
Chloride	8.09		mg/L	10.0		80.9	80-120		
<b>Calibration Check (EJ50402-CCV1)</b>					Prepared: 09/30/05 Analyzed: 10/04/05				
Chloride	8.60		mg/L	10.0		86.0	80-120		
<b>Duplicate (EJ50402-DUP1)</b>					Source: 5129004-07 Prepared: 09/30/05 Analyzed: 10/04/05				
Chloride	217	10.0	mg/kg		206		5.20	20	

Larson & Associates, Inc.  
P.O. Box 50685  
Midland TX, 79710

Project: John H. Hendrix/ Walter Lynch #1  
Project Number: 5-0124  
Project Manager: Mark Larson

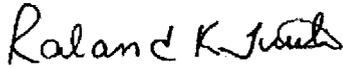
Fax: (432) 687-0456

Reported:  
10/06/05 14:36

### Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference  
LCS Laboratory Control Spike  
MS Matrix Spike  
Dup Duplicate

Report Approved By:



Date: 10/6/2005

Raland K. Tuttle, Lab Manager  
Celey D. Keene, Lab Director, Org. Tech Director  
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director  
LaTasha Cornish, Chemist  
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

CLIENT NAME:

John H. Henderson

SITE MANAGER:

M. Larson

PROJECT NO.:

5-0124

PROJECT NAME:

Walter Lynch #1

PAGE 1 OF 2

LAB. PO #

PARAMETERS/METHOD NUMBER

CHAIN—OF—CUSTODY RECORD

**LA** Larson & Associates, Inc. Fax: 432-687-0456  
 Environmental Consultants 432-687-0901  
 507 N. Marlenfeld, Ste. 202 • Midland, TX 79701

DATE	TIME	WATER	SOIL	OTHER	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	DIEX (80289)	TPH (9015)	BAF. OFs	Chloride	Hold	LAB. I.D. NUMBER (LAB USE ONLY)	REMARKS (I.E., FILTERED, UNFILTERED, PRESERVED, UNPRESERVED, GRAB COMPOSITE)
9/26/05	0856		X		SP-1, 0-1'							5129001	Resubmit
	0856				SP-1, 1-2.8'								
	0915				SP-1, 4-6'								
	0915				SP-1, 6-7.8'								
9/26/05	1138				SP-2, 0-1'								
	1138				SP-2, 1-2.8'								
	1140				SP-2, 4-5'								
	1140				SP-2, 5-6'								
	1140				SP-2, 6-8'								
	1150				SP-3, 0-1'								
	1150				SP-3, 1-3'								
	1200				SP-3, 4-5'								
	1200				SP-3, 5-6'								
	1200				SP-3, 6-7'								
	1215				SP-3, 8-9'								
	1215				SP-3, 9-11'								
	1308				SP-4, 0-1'								
	1308				SP-4, 1-2.8'								

SAMPLED BY: (Signature)

DATE: 9/26/05

RELINQUISHED BY: (Signature)

DATE: \_\_\_\_\_

RECEIVED BY: (Signature)

DATE: \_\_\_\_\_

RELINQUISHED BY: (Signature)

DATE: 9/26/05

RECEIVED BY: (Signature)

DATE: \_\_\_\_\_

SAMPLE SHIPPED BY: (Circle)

TIME: \_\_\_\_\_

COMMENTS:

TURNAROUND TIME NEEDED

FEDEX  HAND DELIVERED  BUS  AIRBILL #: \_\_\_\_\_  
 UPS  OTHER: \_\_\_\_\_

RECEIVING LABORATORY: Env. Lab of Texas  
 ADDRESS: 12600 W-120 E  
 CITY: Odessa TX STATE: TX ZIP: 79765  
 CONTACT: K. Tuttle PHONE: (432) 363-1800

RECEIVED BY: (Signature)  
 DATE: 9/13/05 TIME: 8:45

WHITE - RECEIVING LAB  
 YELLOW - RECEIVING LAB (TO BE RETURNED TO LA AFTER RECEIPT)  
 PINK - PROJECT MANAGER  
 GOLD - QA/QC COORDINATOR

SAMPLE CONDITION WHEN RECEIVED: no labels 1.0

LA CONTACT PERSON: Mark Larson

SAMPLE TYPE: Soil COPY

CLIENT NAME: John H. Hardeux SITE MANAGER: M. Larson  
 PROJECT NO.: 5-0124 PROJECT NAME: Walter Lynch #1  
 PAGE 2 OF 2 LAB. PO #

PARAMETERS/METHOD NUMBER

CHAIN—OF—CUSTODY RECORD

**L**arson & Associates, Inc. Fax: 432-687-0456  
 Environmental Consultants 432-687-0901  
 507 N. Marienfeld, Ste. 202 • Midland, TX 79701

DATE	TIME	WATER	SOIL	OTHER	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	BIEX (80218)	TPH (8015)	Bo + DRO	Chloride	LAB. I.D. NUMBER (LAB USE ONLY)	REMARKS (I.E., FILTERED, UNFILTERED, PRESERVED, UNPRESERVED, GRAB COMPOSITE)
9/12/05	1315		X		SP-4 4-5'	1	<	<			-17	
	1315				SP-4, 5-6'	1	<	<			-70	
	1315				SP-4, 6-8'	1	<	<			-0421	
	1235				SP-5, 0-1'	1	<	<			-27	
	1235				SP-5, 1-2.8'	1	<	<			-22	
	1244				SP-5, 4-5'	1	<	<			-74	
	1244				SP-5, 5-6'	1	<	<			-0515	
	1244				SP-5 6-7.8'	1	<	<			-0626	
	1332				SP-6, 0-1'	1	<	<			-29	
	1332				SP-6, 1-2.5'	1	<	<			-38	
	1337				SP-6, 4-5'	1	<	<			-21	
	1337				SP-6, 5-6'	1	<	<			-07	
	1337				SP-6, 6-8'	1	<	<			-081	

10/11

SAMPLED BY: (Signature) [Signature]

DATE: 9/12/05  
TIME: 1337

RELINQUISHED BY: (Signature) \_\_\_\_\_

DATE: \_\_\_\_\_  
TIME: \_\_\_\_\_

RECEIVED BY: (Signature) \_\_\_\_\_

DATE: \_\_\_\_\_  
TIME: \_\_\_\_\_

RELINQUISHED BY: (Signature) [Signature]

DATE: 9/13/05  
TIME: 0800

RECEIVED BY: (Signature) \_\_\_\_\_

DATE: \_\_\_\_\_  
TIME: \_\_\_\_\_

SAMPLE SHIPPED BY: (Circle) \_\_\_\_\_

FEDEX \_\_\_\_\_ BUS AIRBILL #: \_\_\_\_\_  
HAND DELIVERED \_\_\_\_\_ UPS OTHER: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

TURNAROUND TIME NEEDED \_\_\_\_\_

RECEIVING LABORATORY: Env. Lab of Larson  
 ADDRESS: 12608 W 1-20 St  
 CITY: Odessa STATE: TX ZIP: 79765  
 CONTACT: Robert Tuttle PHONE: (432) 563-1900

RECEIVED BY: (Signature) [Signature]  
 DATE: 9/13/05 TIME: 8:45

WHITE - RECEIVING LAB  
 YELLOW - RECEIVING LAB (TO BE RETURNED TO LA AFTER RECEIPT)  
 PINK - PROJECT MANAGER  
 GOLD - QA/QC COORDINATOR

SAMPLE CONDITION WHEN RECEIVED: no labels 1.0

LA CONTACT PERSON: Mark Larson

SAMPLE TYPE: Soil **COPY**

**Environmental Lab of Texas  
Variance / Corrective Action Report – Sample Log-In**

Client: LARSON

Date/Time: 9/13/05 8:45

Order #: 5113002 <sup>re-submit</sup> 5119001

Initials: CK

**COPY**

**Sample Receipt Checklist**

	Yes	No	
Temperature of container/cooler?			I.O C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Custody Seals intact on shipping container/cooler?	<input type="checkbox"/>	<input type="checkbox"/>	<del>NOT present</del>
Custody Seals intact on sample bottles?	<input type="checkbox"/>	<input type="checkbox"/>	<del>NOT present</del>
Chain of custody present?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Chain of custody agrees with sample label(s)	<input type="checkbox"/>	<input type="checkbox"/>	ED on jar
Container labels legible and intact?	<input type="checkbox"/>	<input type="checkbox"/>	n/a
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Samples in proper container/bottle?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Samples properly preserved?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sample bottles intact?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
VOC samples have zero headspace?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable

Other observations:

---



---



---

**Variance Documentation:**

Contact Person: - \_\_\_\_\_ Date/Time: \_\_\_\_\_ Contacted by: \_\_\_\_\_

Regarding:

---



---

Corrective Action Taken:

---



---



---



---



---



---

**Jeanne McMurrey**

---

**From:** "Mark Larson" <mark@laenvironmental.com>  
**To:** <jeanne@elabtexas.com>  
**Sent:** Thursday, September 29, 2005 8:17 AM  
**Subject:** Re: Additional Analysis for Lab Order Number 5113002

Jeanne: Per our conversation, please analyze the following samples for chloride:

- SP-3, 6 - 7'
- SP-3, 8 - 9'
- SP-3, 9 - 11'
- SP-4, 6 - 8'
- SP-5, 5 - 6'
- SP-5, 6 - 7.8'
- SP-6, 5 - 6'
- SP-6, 6 - 8'

Thanks,  
Mark

--

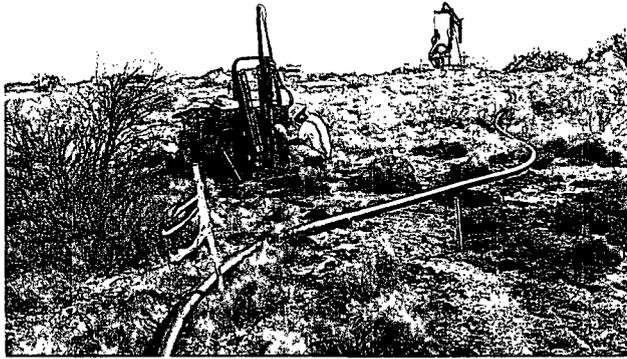
This message has been scanned for viruses and dangerous content by Basin Broadband, and is believed to be clean.

9/29/2005

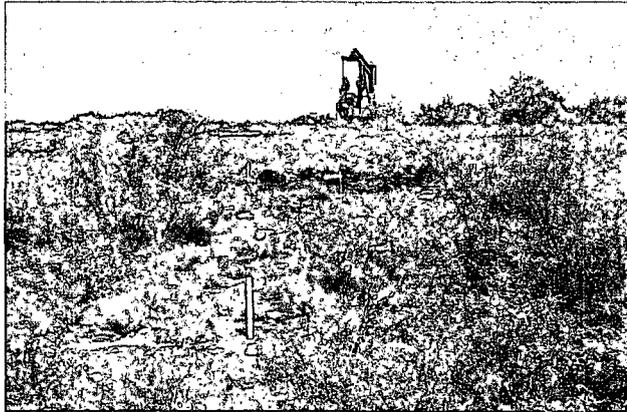
**APPENDIX D**

**Photographs**

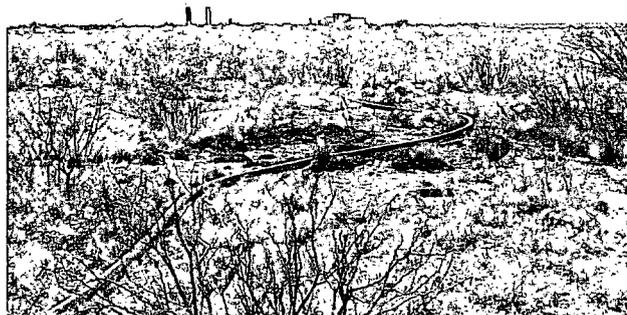
UL K, SECTION 1, T-22-S, R-37-E, LEA COUNTY, NEW MEXICO  
WALTER LYNCH TANK BATTERY WELL # 1



1. Direct push sampling at line



2. Flowline spill, looking northeast



3. Flowline spill, looking southwest

UL K, SECTION 1, T-22-S, R-37-E, LEA COUNTY, NEW MEXICO  
WALTER LYNCH TANK BATTERY WELL # 1



4. Location sign