Closure Report

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NMOCD ARTESIA

Prepared for Corkran Energy

Orleans 25 #1 Drilling Pit

Eddy County, NM

Prepared by

Elke Environmental, Inc.

P.O. Box 14167 Odessa, TX 79768 Phone (432) 366-0043 Fax (432) 366-0884

Elke Environmental, Inc.

P.O. Box 14167 Odessa, TX 79768 Phone (432) 366-0043 Fax (432) 366-0884 RECEIVED

0CT 23 2009

NMOCD ARTESIA

October 5, 2009

New Mexico Oil Conservation Division Mr. Mike Bratcher 1301 West Grand Ave. Artesia, New Mexico 88210

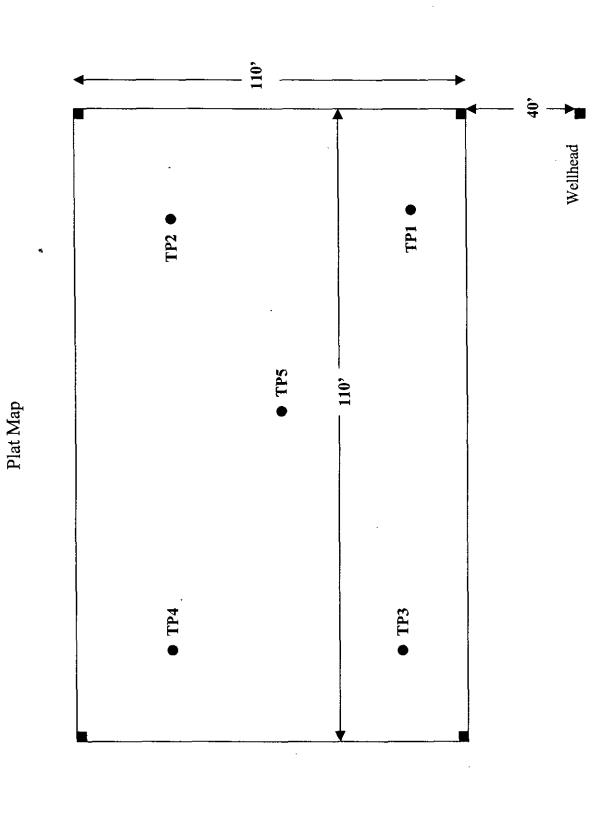
Re: Drilling Pit Closure of Corkran Energy - Orleans 25 #1

Mr. Mike Bratcher,

Elke Environmental was contracted by Corkran Energy to complete the closure of the Orleans 25 #1 drilling pit. As per the C-144 filed and approved all the drilling pit contents were excavated and hauled to Lea Land Disposal (Permit # WM-1-035). Five bottom points were analyzed and NMOCD standards were not meet. A vertical delineation was performed with a trackhoe with the deepest point at 20' below ground surface meeting NMOCD standards. Confirmation lab samples were taken at the deepest point of each delineation point. A remediation plan was submitted and approved for the impacted underlying soil. As per the approved remediation plan the impacted soil was excavated and hauled to Lea Land Disposal. The drilling pit was then backfilled with clean native soil including a 4' thick layer of topsoil and contoured to the surrounding area. The area was seeded with BLM Seed Mixture #3 and #4. If you have any questions about the enclosed report please contact me at the office.

Logan Anderson

Sincerely,



Corkran Energy – Orleans 25 #1 UL 'B' Sec. 25 T18S R26E Eddy County

Z

Elke Environmental, Inc. P.O. Box 14167 Odessa, TX 79768

Field Analytical Report Form

Client Corkran E	Energy			Analyst _	Jason Jessu	ıp
Site Orleans 25	#1					
Sample ID	Date	Depth	TPH / PPM	Cl/PPM	PID / PPM	GPS
TP1	9-24-09	8'		2,889		32° 43.444' N
				, , , , , , ,		104° 19.923' W
TP1	9-24-09	10'		591		32° 43.444' N
						104° 19.923' W 32° 43.444' N
TP1	9-24-09	12'		271		104° 19.923' W
						32° 43.444' N
TP1	9-24-09	14'	75	208	1.8	104° 19.923' W
TDA	0.24.00	8'		420		32° 43.428' N
TP2	9-24-09	8		439		104° 19.921' W
TP2	9-24-09	10'	62	119	1.4	32° 43.428' N
1172	9-24-09	10	02	119	1.4	104° 19.921' W
TP3	9-24-09	8'		948		32° 43.443′ N
11.5	7-24-07			770		104° 19.906' W
TP3	9-24-09	10'		710		32° 43.443' N
113	1 2.0		<u> </u>	,,,,		104° 19.906' W
TP3	9-24-09	12'	40	120	0.6	32° 43.443' N
				1 - 4	-	104° 19.906' W
TP4	9-24-09	8'		988		32° 43.430' N
			<u> </u>			104° 19.905' W
TP4	9-24-09	10'	54	149	2.1	32° 43.430′ N
	<u> </u>			 		104° 19.905' W 32° 43.437' N
TP5	9-24-09	8'		11,282		104° 19.916' W
	1			<u> </u>		32° 43.437' N
TP5	9-24-09	10'		10,362		104° 19.916' W
TDS	0.24.00	102	<u> </u>	0.617		32° 43.437' N
TP5	9-24-09	12'		9,617		104° 19.916' W
TP5	9-24-09	14'	1	5.711		32° 43.437' N
l 1r ₂	9-24-09	14		5,711		104° 19 916' W

2,482

942

215

1.4

TP5

TP5

TP5

9-24-09

9-24-09

9-24-09

16'

18'

20'

45

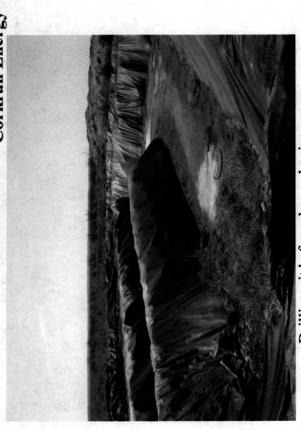
104° 19.916' W 32° 43.437' N

104° 19.916' W 32° 43.437' N

104° 19.916' W 32° 43.437' N

104° 19.916' W

Corkran Energy - Orleans 25 #1



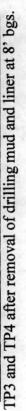
Drilling pit before closure begins.



Loading drilling mud on trucks for disposal.



TP1 and TP2 after removal of drilling mud and liner at 8' bgs.



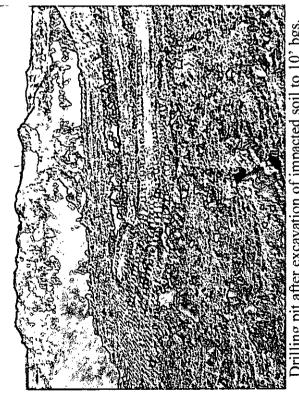


TP5 after removal of drilling mud and liner at 8' bgs.

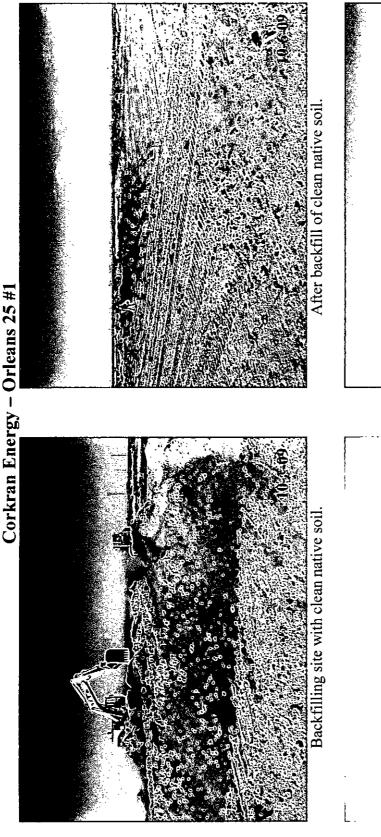
Excavating impacted soil underlying the pit area.

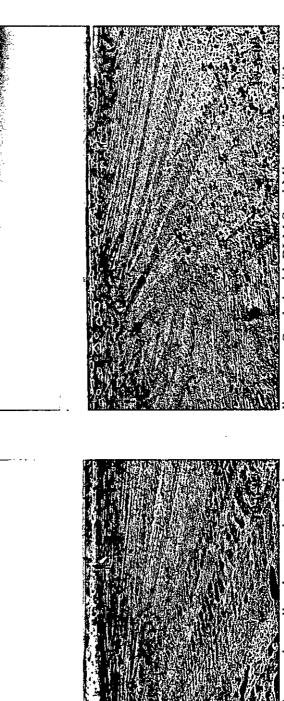


TP5 after excavation of impacted soil to 20' bgs.



Drilling pit after excavation of impacted soil to 10' bgs.





After backfill of clean native soil and contouring to the surrounding area. Seeded with BLM Seed Mixture #3 and #4.

Analytical Report 346186

for

Elke Environmental, Inc.

Project Manager: Logan Anderson

Corkran Energy
Orleans 25 # 1

05-OCT-09





12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002) Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054) New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610) Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046): Florida (E87428), North Carolina (483), South Carolina (98015), Utah (AALII), West Virginia (362), Kentucky (85) Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)
Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)
Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),
South Carolina(96031001), Louisiana(04154), Georgia(917)







Project Manager: Logan Anderson Elke Environmental, Inc. P.O. Box 14167 Odessa, TX 79768

Reference: XENCO Report No: 346186

Corkran Energy Project Address:

Logan Anderson:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 346186. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 346186 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron, II

Odessa Laboratory Manager

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Sample Cross Reference 346186



Elke Environmental, Inc., Odessa, TX

Corkran Energy

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
TP 1	S	Sep-24-09 08:30	12 ft	346186-001
TP 2	S	Sep-24-09 09:15	10 ft	346186-002
TP 3	S	Sep-24-09 10:00	12 ft	346186-003
TP 4	S	Sep-24-09 11:00	10 ft	346186-004
TP 5	S	Sep-24-09 16:30	20 ft	346186-005

CASE NARRATIVE



Client Name: Elke Environmental, Inc.

Project Name: Corkran Energy

Project ID:

Orleans 25 # 1

Work Order Number: 346186

Report Date: 05-OCT-09 Date Received: 09/25/2009

Sample receipt non conformances and Comments:

Sample receipt Non Conformances and Comments per Sample:

Analytical Non Conformances and Comments:

Batch: LBA-774613 Percent Moisture

None

Batch: LBA-774737 BTEX-MTBE EPA 8021B

SW8021BM

Batch 774737, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC

limits in the Matrix Spike and Matrix Spike Duplicate. Samples affected are: 346186-004, -003, -001, -002.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is

within laboratory Control Limits

Batch: LBA-774795 Inorganic Anions by EPA 300

E300MI

Batch 774795, Chloride recovered below QC limits in the Matrix Spike.

Samples affected are: 346186-004, -003, -005, -001, -002,

The Laboratory Control Sample for Chloride is within laboratory Control Limits

Batch: LBA-774935 BTEX-MTBE EPA 8021B

SW8021BM

Batch 774935, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC

limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 346186-005.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is

within laboratory Control Limits

Batch: LBA-775164 TPH by EPA 418.1

None

Batch: LBA-775346 TPH by SW8015 Mod

None



Contact: Logan Anderson Project Id: Orleans 25 # 1

Project Location:

Certificate of Analysis Summary 346186 Elke Environmental, Inc., Odessa, TX

Project Name: Corkran Energy

Date Received in Lab: Fri Sep-25-09 05:10 pm Report Date: 05-OCT-09

Project Manager: Brent Barron, II

					I toject ivianaget.	Diein Darion, 11	
	Lab Id:	346186-001	346186-002	346186-003	346186-004	346186-005	
	Field Id:	177	TP 2	TP 3	TP 4	TP 5	
Analysis Kequestea	Depth:	12 ft	10 ft	12 ft	10 ft	20 ft	
	Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	
	Sampled:	Sep-24-09 08:30	Sep-24-09 09:15	Sep-24-09 10:00	Sep-24-09 11:00	Sep-24-09 16:30	
Anions by E300	Extracted:						
	Analyzed:	Sep-29-09 08:59	Sep-29-09 08:59	Sep-29-09 08:59	Sep-29-09 08:59	Sep-29-09 08:59	
	Units/RL:	mg/kg R.L.	mg/kg RL	mg/kg R.L.	mg/kg RL	mg/kg RL	
Chloride		195 9.57	29.3 10.5	126 10.5	65.7 24.0	52.6 10.6	
BTEX by EPA 8021B	Extracted:	Sep-29-09 12:00	Sep-29-09 12:00	Sep-29-09 12:00	Sep-29-09 12:00	Sep-30-09 10:00	
	Analyzed:	Sep-29-09 19:08	Sep-29-09 19:28	Sep-29-09 19:48	Sep-29-09 20:08	Oct-01-09 11:54	
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	
Benzene		0.0019 0.0011	ND 0.0012	ND 0.0012	ND 0.0011	ND 0.0013	
Toluene		0.0107 0.0023	0.0074 0.0025	0.0044 0.0025	0.0027 0.0023	ND 0.0025	
Ethylbenzene		0.0054 0.0011	0.0037 0.0012	0.0022 0.0012	0.0015 0.0011	ND 0.0013	
ra,p-Xylenes		0.0079 0.0023	0.0052 0.0025	0.0032 0.0025	ND 0.0023	ND 0.0025	
o-Xylene		0.0034 0.0011	0.0022 0.0012	0.0013 0.0012	ND 0.0011	ND 0.0013	
Total Xylenes		0.0113 0.0011	0.0074 0.0012	0.0045 0.0012	ND 0.0011	ND 0.0013	
Total BTEX		0.0293 0.0011	0.0185 0.0012	0.0111 0.0012	0.0042 0.0011	ND 0.0013	
Percent Moisture	Extracted:			1			
	Analyzed:	Sep-29-09 09:07	Sep-29-09 09:07	Sep-29-09 09:07	Sep-29-09 09:07	Sep-29-09 09:07	
	Units/RL:	% RL	% RL	% RL	% RL	% RL	
Percent Moisture		12.2 1.00	19.7 1.00	19.7 1.00	12.4 1.00	20.7 1.00	
TPH By SW8015 Mod	Extracted:	Oct-01-09 23:35	Oct-01-09 23:35	Oct-01-09 23:35	Oct-01-09 23:35	Oct-01-09 23:35	
	Analyzed:	Oct-02-09 06:05	Oct-02-09 06:30	Oct-02-09 06:56	Oct-02-09 07:22	Oct-02-09 07:48	
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
C6-C12 Gasoline Range Hydrocarbons		ND 17.1	ND 18.7	ND 18.7	ND 17.1	ND 18.9	
C12-C28 Diesel Range Hydrocarbons		29.4 17.1	ND 18.7	ND 18.7	21.2 17.1	ND 18.9	
C28-C35 Oil Range Hydrocarbons		I.7.1 CIN	ND 18.7	ND 18.7	ND 17.1	ND 18.9	
Total TPH		29.4 17.1	ND 18.7	ND 18.7	21.2 17.1	ND 18.9	

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use.

The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories.

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Odessa Laboratory Manager Brent Barron, II



Contact: Logan Anderson Project Id: Orleans 25 # 1

Project Location:

Certificate of Analysis Summary 346186 Elke Environmental, Inc., Odessa, TX

Project Name: Corkran Energy



Date Received in Lab: Fri Sep-25-09 05:10 pm

Report Date: 05-OCT-09

Brent Barron

346186-001	346186-002	346186-003	346186-004	346186-005	
1 <u>1</u>	TP 2	TP 3	TP 4	TP 5	
12 A	10 ft	12 ft	10 ft	20 ft	
SOIL	SOIL	SOIL	SOIL	SOIL	
Sep-24-09 08:30	Sep-24-09 09:15	Sep-24-09 10:00	Sep-24-09 11:00	Sep-24-09 16:30	
Oct-01-09 14:15	Oct-01-09 14:15	Oct-01-09 14:15	Oct-01-09 14:15	Oct-01-09 14:15	
mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	
ND 11.4	ND 12.5	ND 12.5	ND 11.4	ND 12.6	
Sep-2	12 ft SOIL 24-09 08:30 11-09 14:15 ND 11.4		TP 2 10 ft SOIL Sep-24-09 09:15 Oct-01-09 14:15 Tmg/kg RL ND 12:5	TP 2 TP 3 TP 3	TP 2

Odessa Laboratory Manager Breff Barron, II

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This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout list sanalytical report represents the best independ of XENYCO Laboratories. YENYCO Laboratories assumes no responsibility and reakes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Since 1990



Flagging Criteria



- X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration. This condition could also effect the relative percent difference in the MS/MSD.
- B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- **D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F RPD exceeded lab control limits.
- J The target analyte was positively identified below the MQL and above the SQL.
- U Analyte was not detected.
- L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte.

 The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K Sample analyzed outside of recommended hold time.
- JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- **BRL** Below Reporting Limit.
- **RL** Reporting Limit
- * Outside XENÇO's scope of NELAC Accreditation.

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Project Name: Corkran Energy

Work Orders: 346186,

Project ID: Orleans 25 # 1

Lab Batch #: 774737

Sample: 539121-1-BKS/BKS

Batch: 1

Matrix: Solid

Units: mg/kg Date Analyzed: 09/29/09 09:44	SU	RROGATE RI	COVERY S	STUDY	
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	. Flags
Analytes 1.4-Difluorobenzene	0.0303	0.0300	101	80-120	
4-Bromofluorobenzene	0.0307	0.0300	102	80-120	

Lab Batch #: 774737

Sample: 539121-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 09/29/09 10:04	SUI	RROGATE R	ECOVERY S	STUDY	
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags
Analytes			[D]		
1,4-Difluorobenzene	0.0301	0.0300	100	80-120	
4-Bromofluorobenzene	0.0295	0.0300	98	80-120	

Lab Batch #: 774737

Sample: 539121-1-BLK / BLK

Batch: 1

Matrix: Solid

Units: mg/kg Date Analyzed: 09/29/09 10:44	SU	RROGATE R	ECOVERY :	STUDY	
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags
Analytes			[D]		
1,4-Difluorobenzene	0.0266	0.0300	89	80-120	
4-Bromofluorobenzene	0.0308	0.0300	103	80-120	

Lab Batch #: 774737

Sample: 346186-001 / SMP

Batch:

Matrix: Soil

Units: mg/kg	Date Analyzed: 09/29/09 19:08	SU	RROGATE R	ECOVERY :	STUDY	
вте	K by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
	Analytes			(12)		
1,4-Difluorobenzene		0.0255	0.0300	85	80-120	
4-Bromofluorobenzene		0.0299	0,0300	100	80-120	

Lab Batch #: 774737

Sample: 346186-002 / SMP

Batch: 1

Matrix: Soil

Units: mg/kg Date Analyzed: 09/29/09 19:2	8 SU	RROGATE R	ECOVERY	STUDY	
BTEX by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0259	0.0300	86	80-120	
4-Bromofluorobenzene	0.0320	0.0300	107	80-120	

^{*} Surrogate outside of Laboratory QC limits

Surrogate Recovery [D] = 100 * A / B

^{**} Surrogates outside limits; data and surrogates confirmed by reanalysis

^{***} Poor recoveries due to dilution



Project Name: Corkran Energy

Work Orders: 346186,

Project ID: Orleans 25 # 1

Lab Batch #: 774737

Sample: 346186-003 / SMP

Matrix: Soil Batch: 1

Units: mg/kg Date Analyzed: 09/29/09 19:48	SU	RROGATE RI	ECOVERY S	STUDY	
BTEX by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0262	0.0300	87	80-120	
4-Bromofluorobenzene	0.0311	0.0300	104	80-120	

Lab Batch #: 774737

Sample: 346186-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 09/29/09 20:08

SU	RROGATE	RF	COVERY	STUDY	
nt	True		Dagayamı	Control	м

BTEX by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0259	0.0300	86	80-120	
4-Bromofluorobenzene	0.0309	0.0300	103	80-120	

Lab Batch #: 774737

Sample: 346027-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 09/29/09 20:	48 SU	RROGATE R	ATE RECOVERY STUDY				
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags		
Analytes			[D]				
1,4-Difluorobenzene	0.0292	0.0300	97	80-120			
4-Bromofluorobenzene	0.0324	0.0300	108	80-120			

Lab Batch #: 774737

Sample: 346027-001 SD / MSD

Batch: 1

Matrix: Soil

Units: mg/kg Date Analyzed: 09/29/09 21:08		SU	SURROGATE RECOVERY STUDY					
BTE	X by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags		
1,4-Difluorobenzene		0.0286	0.0300	95	80-120			
4-Bromofluorobenzene		0.0320	0.0300	107	80-120			

Lab Batch #: 774935

Sample: 539231-1-BKS/BKS

Batch: 1

Matrix: Solid

Units: mg/kg Date Analyzed: 09/30/09 13:14		SURROGATE RECOVERY STUDY					
BTE	X by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags	
1,4-Difluorobenzene	· · · · · · · · · · · · · · · · · · ·	0.0300	0.0300	100	80-120		
4-Bromofluorobenzene		0.0303	0.0300	101	80-120		

^{*} Surrogate outside of Laboratory QC limits

Surrogate Recovery [D] = 100 * A / B

^{**} Surrogates outside limits; data and surrogates confirmed by reanalysis

^{***} Poor recoveries due to dilution



Project Name: Corkran Energy

Work Orders: 346186,

Project ID: Orleans 25 # 1

Lab Batch #: 774935

Sample: 539231-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 09/30/09 13:56	SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags	
1,4-Difluorobenzene	0.0267	0.0300	89	80-120		
4-Bromofluorobenzene	0.0302	0.0300	101	80-120		

Lab Batch #: 774935

Sample: 346186-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg	50	SURROGATE RECOVERY STUDY				
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery	Control Limits %R	Flags	
Analytes	[13]	[2]	(D)) /•K		
1,4-Difluorobenzene	0.0275	0.0300	92	80-120		
4-Bromofluorobenzene	0.0333	0.0300	111	80-120		

Lab Batch #: 774935

Sample: 346186-005 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 10/01/09 12:36	SURROGATE RECOVERY STUDY					
BTEX by EPA 8021B	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags	
Analytes			[D]	}		
1,4-Difluorobenzene	0.0293	0.0300	98	80-120		
4-Bromofluorobenzene	0.0347	0.0300	116	80-120		

Lab Batch #: 774935

Sample: 346186-005 SD / MSD

Batch: 1

Matrix: Soil

Units: mg/kg	Date Analyzed: 10/01/09 12:57	SURROGATE RECOVERY STUDY				
BTE	X by EPA 8021B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene		0.0294	0.0300	98	80-120	
4-Bromofluorobenzene		0.0328	0.0300	109	80-120	

Lab Batch #: 775346

Sample: 539435-1-BKS / BKS

Batch: 1

Matrix: Solid

Units: mg/kg Date Analyzed: 10/02/09 04:48		SURROGATE RECOVERY STUDY					
ТРН	By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags	
1-Chlorooctane		88.1	100	88	70-135		
o-Terphenyl		36.7	50.0	73	70-135	· · · · · · ·	

^{*} Surrogate outside of Laboratory QC limits

Surrogate Recovery [D] = 100 * A / B

^{**} Surrogates outside limits; data and surrogates confirmed by reanalysis

^{***} Poor recoveries due to dilution



Project Name: Corkran Energy

Work Orders: 346186,

Project ID: Orleans 25 # 1

Lab Batch #: 775346

Sample: 539435-1-BSD/BSD

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 10/02/09 05:14	SURROGATE RECOVERY STUDY					
TPH By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags	
Analytes]	[D]			
1-Chlorooctane	85.9	100	86	70-135		
o-Terphenyl	35.2	50,0	70	70-135		

Lab Batch #: 775346

Sample: 539435-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg Date An	alyzed: 10/02/09 05:40	SU	RROGATE R	ECOVERY S	STUDY	
TPH By SW8015 Analytes	5 Mod	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane		77.7	100	78	70-135	
o-Terphenyl		38.2	50.0	76	70-135	

Lab Batch #: 775346

Sample: 346186-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg		SU	RROGATE RI	ECOVERY	STUDY	
TPH 1	By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags
	Analytes			[D]		
1-Chlorooctane		79.7	100	80	70-135	- 1
o-Terphenyl		37.8	50.0	76	70-135	

Lab Batch #: 775346

Sample: 346186-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 10/02/09 06:30	SURROGATE RECOVERY STUDY					
TPH By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R {D}	Control Limits %R	Flags	
Analytes			[25]			
1-Chlorooctane	81.7	100	82	70-135		
o-Terphenyl	38.6	50.0	77	70-135		

Lab Batch #: 775346

Sample: 346186-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 10/02/09 06:56	Su	RROGATE R	ECOVERY	STUDY	
TPH By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R	Control Limits %R	Flags
Analytes			[D]		
1-Chlorooctane	71.2	100	71	70-135	
o-Terphenyl	35.1	50.0	70	70-135	

^{*} Surrogate outside of Laboratory QC limits

Surrogate Recovery [D] = 100 * A / B

^{**} Surrogates outside limits; data and surrogates confirmed by reanalysis

^{***} Poor recoveries due to dilution



Project Name: Corkran Energy

Work Orders: 346186,

Project ID: Orleans 25 # 1

Lab Batch #: 775346

Sample: 346186-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 10/02/09 07:22	SU	RROGATE R	ECOVERY:	STUDY	
TPH By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes			1-1		
1-Chlorooctane	73.4	100	73	70-135	
o-Terphenyl	35.6	50.0	71	70-135	

Lab Batch #: 775346

Sample: 346186-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 10/02/09 07:48	SU	RROGATE R	ECOVERY :	STUDY	
TPH By SW8015 Mod	Amount Found [A]	True Amount [B]	Recovery	Control Limits %R	Flags
Analytes	ĺ		[D]		
1-Chlorooctane	71.7	100	72	70-135	
o-Terphenyl	36.2	50.0	72	70-135	

Lab Batch #: 775346

Sample: 346186-001 D / MD

Batch: 1 Ma

Matrix: Soil

Units: mg/kg Date Analyzed: 10/02/09 12:41	SU	RROGATE R	ECOVERY S	STUDY	
TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	83.1	100	83	70-135	
o-Terphenyl	40.0	. 50.0	80	70-135	

^{*} Surrogate outside of Laboratory QC limits

^{**} Surrogates outside limits; data and surrogates confirmed by reanalysis

^{***} Poor recoveries due to dilution Surrogate Recovery [D] = 100 * A / B



Blank Spike Recovery



Project Name: Corkran Energy

Work Order #: 346186

Project ID:

Orleans 25 # 1

Lab Batch #: 774935

Sample: 539231-1-BKS

Matrix: Solid

Date Analyzed: 09/30/2009

Date Prepared: 09/30/2009

Analyst: ASA

Reporting Units: mg/kg

Batch #:

BLANK /BLANK SPIKE RECOVERY STUDY

Reporting Onits: mg/kg	Daten #: 1	DLANK/	DLAINK ST	INE KEU	OVERI	31001
BTEX by EPA 8021B	Blank Result [A]	Spike Added [B]	Blank Spike Result	Blank Spike %R	Control Limits %R	Flags
Analytes			[C]	[D]		<u> </u>
Benzene	ND	0.1000	0.0926	93	70-130	
Toluene	ND	0.1000	0.0917	92	70-130	
Ethylbenzene	ND	0.1000	0.0941	94	71-129	
m,p-Xylenes	ND	0.2000	0.2057	103	70-135	
o-Xylene	ND	0.1000	0.0990	99	71-133	

Lab Batch #: 774795

Sample: 774795-1-BKS

Matrix: Solid

Date Analyzed: 09/29/2009

Date Prepared: 09/29/2009

Analyst: LATCOR

Reporting Units: mg/kg

Batch #:

: 1 BLANK/BLANK SPIKE RECOVERY STUDY

	-	22.2.12				
Anions by E300	Blank Result	Spike Added	Blank Spike	Blank Spike	Control Limits	Flags
Analytes	[A]	(B)	Result [C]	%R [D]	%R	
Chloride	ND	10.0	10.6	106	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.
BRL - Below Reporting Limit



BS / BSD Recoveries

PARTIE AND THE PROPERTY OF THE PARTIES OF THE PARTI



Project Name: Corkran Energy

Work Order #: 346186

Analyst: ASA

Project ID: Orleans 25 # 1 Date Analyzed: 09/29/2009

Matrix: Solid

Lab Batch ID: 774737

Sample: 539121-1-BKS

Batch#: 1

Date Prepared: 09/29/2009

			•								
Units: mg/kg		BLAN	BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY	PIKE / B	LANKS	PIKE DUPI	ICATE	RECOVE	RY STUD	Y	
BTEX by EPA 8021B	Blank Sample Result	Spike Added	Blank Spike	Blank Spike	Spike Added	Blank Spike	Bik. Spk Dup.	RPD	Control Limits	Control Limits	Flag
Analytes	₹	E	[C]	(B)	E	Dupitcate Result [F]	<u>5</u>	*	₩ # /	78KD	
Benzene	£	0.1000	0.0977	86	0.1	0.0959	96	2	70-130	35	
Toluene	Ð	0.1000	0.0961	96	0.1	0.0944	94	2	70-130	35	
Ethylbenzene	£	0.1000	0.0980	86	0.1	0.0958	96	2	71-129	35	
m,p-Xylenes	£	0.2000	0.2147	107	0.2	0.2099	105	2	70-135	35	
o-Xylene	Ę	0.1000	0.1027	103	0.1	0.0994	66	3	71-133	35	

Analyst: BHW

Date Prepared: 10/01/2009

Batch #: 1

Matrix: Solid

Date Analyzed: 10/02/2009

Lab Batch ID: 775346	Sample: 539435-1-BKS	KS	Batch #:	1#: 1					Matrix: Solid	olid		
Units: mg/kg			BLAN	BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY	PIKE / E	LANKS	PIKE DUPI	JCATE 1	RECOVE	RY STUD	Ϋ́	
TPH By SW8015 Mod	15 Mod	Blank Sample Result	Spike Added	Blank Spike	Blank Spike	Spike Added	Blank Spike	Blk. Spk Dup.	RPD	Control Limits	Control Limits	Flag
Anglyfes		₹	E	Result [C]	# <u>(</u>	<u> </u>	Duplicate Result [F]	% ©	*	%R	%RPD	
C6-C12 Gasoline Range Hydrocarbons	arbons	£	1000	860	98	1000	842	48	2	70-135	35	
C12-C28 Diesel Range Hydrocarbons	rbons	QN	1000	828	83	1000	816	82	1	70-135	35	

Relative Percent Difference RPD = 200*[(C-F)/(C+F)] Blank Spike Recovery [D] = 100*(C)/[B] Blank Spike Duplicate Recovery [G] = 100*(F)/[E] All results are based on MDL and Validated for QC Purposes



Form 3 - MS Recoveries

Project Name: Corkran Energy



Work Order #: 346186 Lab Batch #: 774795

Date Analyzed: 09/29/2009

Date Prepared: 09/29/2009

Project ID: Orleans 25 # 1

Analyst: LATCOR

QC- Sample ID: 346186-001 S

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg	MATE	XIX / MA	TRIX SPIKE	RECO	VERY STU	DY
Inorganic Anions by EPA 300 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	195	228	349	68	75-125	Х

Matrix Spike Percent Recovery [D] = 100*(C-A)/B Relative Percent Difference [E] = 200*(C-A)/(C+B) All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit



Form 3 - MS/ MSD Recoveries



Project Name: Corkran Energy

Work Order #: 346186

Lab Batch ID: 774737

Date Analyzed: 09/29/2009

Batch #:

Matrix: Soil

QC-Sample ID: 346027-001 S Date Prepared: 09/29/2009

ASA Analyst:

Project ID: Orleans 25 # 1

Reporting Units: mg/kg		M	ATRIX SPIKI	MAT.	RIX SPII	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY	TE REC	VERY S	TUDY		
BTEX by EPA 8021B Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Spiked Result Sample [C] %RR	Spiked Sample %R [D]	Sptke Added [E]	Duplicate Spiked Sample Result [F]	Spilked Dup. %R [G]	RPD	Control Limits %R	Control Limits	Mag
Benzene	0.0020	0.1066	0.0584	53	0.1066	0.0580	53	_	70-130	35	×
Toluene	0.0157	0.1066	0.0598	41	0.1066	0.0593	14	-	70-130	35	×
Ethylbenzene	0.0077	0.1066	0.0594	48	.0.1066	0.0594	48	0	71-129	35	×
m.p-Xylenes	0.0112	0.2132	0.1292	55	0.2132	0.1291	55	0	70-135	35	×
o-Xylene	0.0047	0.1066	0.0592	\$1	0.1066	0.0587	51	1	71-133	35	×

Date Analyzed: 10/01/2009 Lab Batch ID: 774935

OC-Sample ID: 346186-005 S Date Prepared: 09/30/2009

Matrix: Soil ASA Analyst: Batch #:

× × × × Limits %RPD Control 35 35 35 35 35 Control Limits 70-130 70-130 71-129 70-135 71-133 MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY RPD % 7 % E 23 54 59 22 55 Duplicate Spiked Sample Result [F] 6990.0 8790.0 0.0689 0.1498 0.0694 Spike Added 0.1262 0.1262 0.1262 0.2523 .0.1262 Spiked Sample %R (D) \$4 53 59 55 53 Spiked Sample Result [C] 0.0673 0.0685 0.1479 0.0663 0.0700 Spike Added 0.1262 0.12620.2523 0.1262 0.1262 Pareut Sample Result [A] £ £ 見 呈 $\frac{2}{2}$ BTEX by EPA 8021B Analytes Reporting Units: mg/kg Ethylbenzene m.p-Xylenes Toluene o-Xylene Benzene

Matrix Spike Percent Recovery [D] = 100°(C-A/B Relative Percent Difference RPD = 200°(C-F)(C+F)

Matrix Spike Duplicate Percent Recovery [G] = 100*(F-A)/E



Form 3 - MSJ MSD Recoveries



Project Name: Corkran Energy

Lab Batch ID: 775164 Work Order #: 346186

Batch #:

Project ID: Orleans 25 # 1

Matrix: Soil ASA Analyst:

QC- Sample ID: 346186-001 S Date Prepared: 10/01/2009

Date Analyzed: 10/01/2009 Reporting Units: mg/kg TPH by EPA 418.1	Date Prepared: 10/01/2009 MATH Parent Sample Spike Spike Result Added	10/01/20 M. M. Spike	009 ATRIX SPIKE Spiked Sample Result ICI	Analys CE / MATRIX Spiked Sample Sample SAR	Analyst: ASA ATRIX SPIKE E ed Dide Spike Spik	2009	FE RECC Spiked Dup.	VERY S	STUDY Control Limits	Control Limits	Flag
Analytes	₹	Æ		ē	M		<u>15</u>				

35

65-135

6

101

2870

2850

22

2620

2850

g

TPH, Total Petroleum Hydrocarbons

Matrix Spike Duplicate Percent Recovery $\{G\} = 100^*(F-A)/E$



Sample Duplicate Recovery



Project Name: Corkran Energy

Work Order #: 346186

Lab Batch #: 774795

Project ID: Orleans 25 # 1

Date Analyzed: 09/29/2009

Date Prepared: 09/29/2009

Analyst: LATCOR

QC- Sample ID: 346186-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg	SAMPLE	SAMPLE .	DUPLIC	ATE REC	OVERY
Anions by E300	Parent Sample Result [A]	Sample Duplicate Result	RPD	Control Limits %RPD	Flag
Analyte		[B]			
Chloride	195	169	14	20	

Lab Batch #: 774613

Date Analyzed: 09/29/2009

Date Prepared: 09/29/2009

Analyst: BEV

QC- Sample ID: 346186-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY

Percent Moisture Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	12.2	13.0	7	20	

Lab Batch #: 775346

Date Analyzed: 10/02/2009

Date Prepared: 10/01/2009

Analyst: BHW

QC- Sample ID: 346186-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg	SAMPLE /	SAMPLE / SAMPLE DUPLICATE RECOVERY					
TPH By SW8015 Mod Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag		
C6-C12 Gasoline Range Hydrocarbons	ND	ND	NC	35			
C12-C28 Diesel Range Hydrocarbons	29.4	29.4	0	35			
C28-C35 Oil Range Hydrocarbons	ND	ND	NC	-35			

Spike Relative Difference RPD 200 * | (B-A)/(B+A) |
All Results are based on MDL and validated for QC purposes.
BRL - Below Reporting Limit

Authorizon Comments
Simple Comments
Simple Comments
Simple Project Name: COSKS Are Orige Canaday TAT breinning & O NPDES 2 Properte ORLEANS 25 #1 Phone: 432-663-1800 Fax: 432-563-1713 CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST TRRP NAC) Report Format: Slandard (ARTOR) (1.41) - Jrd XT - 2001-M-T - Jrd (X - ART - LOS (C.) Lender (A HELA (A 2021-C.) Lender (A 1821-C.) Lender (A 2021-C.) Lender (A 2021 8 Project Loc: 1 60.53 6 la elkeenv@yahoo.com 12650 West 1.20 East Odesen, Texas 78755 OS'H 432-366-0884 12' 9 (21. 12 2: 30 2: 12 2: 1 Fax No: e-mail: Received by Received by: · Ime 5:(0F. Environmental Lab of Texas \$2/6 Elke Environmental Odessa, TX 79768 Project Manager. Logan Anderson Company Address: P.O.Box 14167 8 432-366-0043 3401BG FIELD COOPE Sampler Signature: Company Name City/State/Zip: Telephone No: (lab use only) Wingsthed by ORDER # 8565

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In Elke Env Client 9-25-09 17:10 Date/ Time: 346186 Lab ID#: Initials: Sample Receipt Checklist Client Initials #1 Temperature of container/ cooler?
#2 Shipping container in good condition? res No Yes No Not Present #3 Custody Seals intact on shipping container/ cooler? Yes No #4 Custody Seals intact on sample bottles/ container? Ye No Not Present Yes ४७६ #5 Chain of Custody present? No Sample instructions complete of Chain of Custody? No YES COS #7 Chain of Custody signed when relinquished/ received? No #8 Chain of Custody agrees with sample label(s)? No ID written on Cont./ Lid #9 Container tabel(s) legible and intact? Nο Not Applicable #10 Sample matrix/ properties agree with Chain of Custody? No #11 Containers supplied by ELOT? No #12 Samples in proper container/ bottle? .No See Below #13 'Samples properly preserved? No See Below Yeş Yeş #14 Sample bottles intact? No #15 Preservations documented on Chain of Custody? . No Yes Yes Yes #16 Containers documented on Chain of Custody? No #17 Sufficient sample amount for indicated test(s)? No See Below #18 All samples received within sufficient hold time? No See Below Not Applicable #19 Subcontract of sample(s)? No #20 VOC samples have zero headspace? Yes No Not Applicable Variance Documentation Contacted by: Contact: Date/ Time: Corrective Action Taken:

Client understands and would like to proceed with analysis

The same of the sa

Cooling process had begun shortly after sampling event

See attached e-mail/ fax

Check all that Apply:

and the second of the second of the second

RECEIVED SEP 2 5 2009

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

Form C-141 Revised October 10, 2003

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

Name of Co	68417	42				OPERA:	TOR		⊠ Initia	al Report		Final Re
Name of Company - Corkran Energy 243452												
			04 Aust	in, TX 78746		Telephone No 512-329-6140						
Facility Nau	ne – Orlea	ns 25 #1				Facility Typ	e – Drilling Pit					
Surface Ow	ner – Priva	ate		Mineral O	wner –	·		·	Lease 1	No. 30-015	-3526	0
				LOCA	TIO	OF RE	LEASE					
Unit Letter B	Section 25	Township 18S	Range 26E	Feet from the	North/	South Line	Feet from the	East/V	Vest Line	County Eddy		
		· · · · · · · · · · · · · · · · · · ·	L	atitude_32° 43.	444' <u>N</u>	Longitud	e_104° 19.923°	<u>W_</u>				
				NAT	URE	OF REL						
Type of Rele	ase - Drilli	ng Pit Conten	ts				f Release - N/A			Recovered -		
Source of Re							Hour of Occurren	ce NA	Date and	Hour of Di	scover	y 9-24-09
Was Immedi	ate Notice (Yes [No 🛭 Not Re	equired	If YES, To	o Whom?					
By Whom?						Date and I	Hour ·					·
Was a Water	course Rea		Yes [No No		If YES, V	olume Impacting	the Wat	ercourse.			
Describe An	a Affected	and Cleanur	Action To	ken * Pit hottoms	were te	sted and deli	neated to NMOC) stands	rds. Attac	hed is the ir	itial n	lat man and
field analyticareas: TP1,	cal of the de TP2, TP3 a sal. The site	elineation. Co nd TP4 will b	onfirmation e excavate	ken.* Pit bottoms a samples were se id to 10° bgs and a seeded per the ori	nt to a tl TP5 will	nird party lab be excavate	 Remediation pl d to 20' bgs. The 	an is to impacte	excavate al ed soil will	ll impacted: be excavate	soil at ad and	the followi hauled to I
field analyticareas: TP1, Land Disposis complete. I hereby cert regulations a public healti should their or the environment.	cal of the de TP2, TP3 a sal. The site tify that the all operators to the env operations on the control of the control operations.	elineation. Co and TP4 will be will be back information g are required ironment. The	e excavate filled and given abov to report a e acceptar adequatel OCD acce	n samples were se ad to 10' bgs and 1	nt to a ti 1P5 will ginal pit plete to release i ort by the	hird party lab be excavated closure plan the best of m notifications the NMOCD of the contamina	y knowledge and and perform cormarked as "Final tion that pose a tieve the operator o	underst ective ac Report	excavate all described soil with the and that putions for reduces not reground wat sibility for	ll impacted be excavate Final C-14 rsuant to Ni cleases whice lieve the oper, surface of	MOCE th may erator water,	hauled to I the pit clos rules and endanger of liability
field analyticareas: TP1, Land Disposis complete. I hereby cert regulations a public healti should their or the environment.	cal of the de TP2, TP3 a sal. The site tify that the all operators to the env operations on the control of the control operations.	information garage are required ironment. The have failed to addition NM	e excavate filled and given abov to report a e acceptar adequatel OCD acce	a samples were seed to 10' bgs and is seeded per the ori- re is true and com- and/or file certain- ace of a C-141 rep by investigate and	nt to a ti 1P5 will ginal pit plete to release i ort by the	the best of mentifications to RMOCD at the contaminations not relice.	y knowledge and and perform commarked as "Final tion that pose a treve the operator o	an is to impacte vill be several to get responsible	excavate all described soil with the and that putions for reduces not reground wat sibility for	ll impacted be excavate Final C-14 rsuant to Ni cleases whice lieve the oper, surface of	MOCE th may erator water,	the following hauled to I the pit clo Prules and endanger of liability human hea
field analyticareas: TP1, Land Disposis complete. I hereby cert regulations: public healti should their or the environment of the environment.	cal of the de TP2, TP3 a sal. The site site site sal. The site site sal. The site sal.	information garage and a safe required ironment. The have failed to addition NM away and/or recomments and/or recomments and/or recomments and/or recomments and/or recomments and/or recomments.	e excavate filled and given abov to report a e acceptar adequatel OCD acce	a samples were seed to 10' bgs and is seeded per the ori- re is true and com- and/or file certain- ace of a C-141 rep by investigate and	nt to a ti 1P5 will ginal pit plete to release i ort by the	the best of mentifications to RMOCD at the contaminations not relice.	y knowledge and and perform cormarked as "Final dive the operator o	understective ac Report" respon	excavate all described soil will ent with the sand that puritions for redoes not reground wat sibility for	Il impacted be excavate Final C-14 resuant to Ni beleases which believe the open compliance N DIVIS	MOCE th may erator water,	the following hauled to I the pit clo Prules and endanger of liability human hea
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field analyticareas: TP1, Land Disposis complete. I hereby cert regulations: public healt should their or the envire federal, state Signature: Printed Nam Title: Consu	cal of the de TP2, TP3 a sal. The site site site site site site site sit	information garage and a safe required ironment. The have failed to addition NM away and/or recomments and/or recomments and/or recomments and/or recomments and/or recomments and/or recomments.	priven above to report a dequate OCD acceptations.	a samples were seed to 10' bgs and is seeded per the ori- re is true and com- and/or file certain- ace of a C-141 rep by investigate and	nt to a ti 1P5 will ginal pit plete to release i out by the	the best of mentifications are NMOCD at the contaminations not relice. Approved b	y knowledge and and perform cormarked as "Final dive the operator o	understective ac Report" respon	excavate all described soil will ent with the sand that puritions for redoes not reground wat sibility for	Il impacted be excavate Final C-14 resuant to Ni beleases which believe the open compliance N DIVIS	MOCL MOCL water, with a	the following hauled to I the pit clo Prules and endanger of liability human hearn other

Form C-144 July 21, 2008

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

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or	
Proposed Alternative Method Permit or Closure Plan Applicat	<u>tion</u>
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative Closure of a pit, closed-loop system, below-grade tank, or proposed alternative Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pi	ative method native method
below-grade tank, or proposed alternative method	i, closed to op opoletin
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade ta	nk or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority	e water, ground water or the
Operator: Corkran Energy, LP OGRID#:	
Address: 300 Beardsley Lane C204, Austin Texas , 78746	
7 " 0 1 25 #1	
API Number: 30-015-35260 OCD Permit Number:	
U/L or Qtr/Qtr Section 25 Township 18S Range 26E County: Edd	ly County
Center of Proposed Design: Latitude Longitude	
Surface Owner: 🔀 Federal 🗌 State 🔲 Private 🔲 Tribal Trust or Indian Allotment	
2. ⊠ Pit: Subsection F or G of 19.15.17.11 NMAC	
Temporary: Drilling Workover	
Permanent Emergency Cavitation P&A	
☐ Lined ☐ Unlined Liner type: Thickness 12 mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other	
	· · · · · · · · · · · · · · · · · · ·
String-Reinforced	150 - w 120 - n a
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L 1	-30 XW120 XD3
3.	
Closed-loop System: Subsection H of 19.15.17.11 NMAC	
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior ap intent)	proval of a permit or notice of
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other	
Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other	
Liner Seams: Welded Factory Other	
Below-grade tank: Subsection I of 19.15.17.11 NMAC	•
Volume:bbl Type of fluid:	
Tank Construction material:	
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	•
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other	
Liner type: Thickness mil HDPE PVC Other	
Line type. Timekness int TIDLE TVC Oute	
5.	
Alternative Method:	Ca
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office	for consideration of approval.

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade		
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a institution or church)	permanent residence, school, i	nospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet		
Alternate. Please specify		
7.		
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)		
Screen Netting Other		
Monthly inspections (If netting or screening is not physically feasible)		
8. Signs: Subsection C of 19.15.17.11 NMAC		
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers		
Signed in compliance with 19.15.3.103 NMAC		
9. Administrative Approvals and Exceptions:		
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidar	nce.	
Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Sa	nta Fe Environmental Bureau (office for
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consider	ration of approval.	
10.		
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application material are provided below. Requests regarding changes to certain siting criteria may require administry office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting a above-grade tanks associated with a closed-loop system.	ative approval from the appro u office for consideration of a	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby w		☐ Yes ☐ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or la lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	akebed, sinkhole, or playa	Yes No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	of initial application.	☐ Yes ☐ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	of initial application.	Yes No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households us watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the	time of initial application.	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality.		☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification	n) of the proposed site	☐ Yes ☐ No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division		☐ Yes ☐ No
Within an unstable area Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; Society; Topographic map	USGS; NM Geological	☐ Yes ☐ No
Within a 100-year floodplain FEMA map		☐ Yes ☐ No

				
			chment Checklist: Subsection B of 19.15.17.5 indicate, by a check mark in the box, that the	
Hydrogeologic Report Hydrogeologic Data Siting Criteria Comp Design Plan - based	(Temporary and Emergency Pits) bliance Demonstrations - based up upon the appropriate requirement) - based upon the requirem on the appropriate requirer s of 19.15.17.11 NMAC		
	tenance Plan - based upon the app complete Boxes 14 through 18, i		.15.17.12 NMAC he appropriate requirements of Subsection C of	19 15.17.9 NMAC
☐ Previously Approved	Design (attach copy of design)	API Number:	or Permit Number:	
	mit Application Attachment Ch following items must be attache		9.15.17.9 NMAC e indicate, by a check mark in the box, that the	documents are
Geologic and Hydre Siting Criteria Com Design Plan - based Operating and Main	pliance Demonstrations (only for l upon the appropriate requiremen ntenance Plan - based upon the ap	on-site closure) - based upon ts of 19.15.17.11 NMAC propriate requirements of 1		MAC
Closure Plan (Pleas and 19.15.17.13 NMAC	e complete Boxes 14 through 18,	if applicable) - based upon	the appropriate requirements of Subsection C of	19.15.17.9 NMAC
1	Design (attach copy of design)	API Number:		
1	Operating and Maintenance Plan	***	(Applies only to closed-loop	system that use
above ground steet lanks of	or haul-off bins and propose to im	plement waste removal for	ciosure)	
Permanent Pits Permit A Instructions: Each of the attached.		ed to the application. Pleas	e indicate, by a check mark in the box, that the	documents are
Siting Criteria Com Climatological Fac	ort - based upon the requirements pliance Demonstrations - based u tors Assessment ng Design Plans - based upon the	pon the appropriate require	ments of 19.15.17.10 NMAC	
Dike Protection and	Structural Integrity Design - basing - based upon the appropriate	ed upon the appropriate req	uirements of 19.15.17.11 NMAC	,
Liner Specification		based upon the appropriate	requirements of 19.15.17.11 NMAC	1
Operating and Main	ntenance Plan - based upon the ap rtopping Prevention Plan - based i	propriate requirements of I		
	tous Odors, including H ₂ S, Preve			,
	eam Characterization			
Erosion Control Pla	រោ	nts of Subsection C of 19 1	5.17,9 NMAC and 19.15.17.13 NMAC	
14.		61 0405001011 0 01 17.1	India was District Mano	
Proposed Closure: 19.1.	5.17.13 NMAC plete the applicable boxes, Boxes	s 14 through 18, in regards	to the proposed closure plan.	
Type: Drilling W	orkover 🗋 Emergency 🔲 Cavit	ation 🔲 P&A 🔲 Perma	nent Pit 🔲 Below-grade Tank 🗍 Closed-loop	System
	Waste Excavation and Rem Waste Removal (Closed-le	oop systems only)		
		On-site Trench Buria		
[5.	Alternative Closure Method	d (Exceptions must be subm	nitted to the Santa Fe Environmental Bureau for	consideration)
Waste Excavation and R	cate, by a check mark in the box,	, that the documents are at		attached to the
Confirmation Samp		pon the appropriate require	ments of Subsection F of 19.15.17.13 NMAC	
Disposal Facility N	ame and Permit Number (for liqu	ids, drilling fluids and drill		2
Re-vegetation Plan	- based upon the appropriate requian - based upon the appropriate r	irements of Subsection I of	19.15.17.13 NMAC	
			 	

	Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids,			
	facilities are required. Disposal Facility Name:	Disposal Facility Permit Number:		
Í	Disposal Facility Name: Disposal Facility Permit Number:			
1	Will any of the proposed closed-loop system operations and associated activities o ☐ Yes (If yes, please provide the information below) ☐ No			
	Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19.15.17.13 NMAC at I of 19.15.17.13 NMAC	0	
	Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may required considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	re administrative approval from the appropriate disti il Bureau office for consideration of approval. Justi	rict office or may be	
	Ground water is less than 50 feet below the bottom of the buried waste NM Office of the State Engineer - iWATERS database search; USGS; Da	ta obtained from nearby wells	☐ Yes ☐ No ☐ NA	
	Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Da	ta obtained from nearby wells	☐ Yes ☐ No ☐ NA	
	Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Database search; US	ta obtained from nearby wells	☐ Yes ☐ No ☐ NA	
	Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	Yes No	
	Within 300 feet from a permanent residence, school, hospital, institution, or chure - Visual inspection (certification) of the proposed site; Aerial photo; Satellie		☐ Yes ☐ No	
	Within 500 horizontal feet of a private, domestic fresh water well or spring that lew attering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No	
	Within incorporated municipal boundaries or within a defined municipal fresh was adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written appro	,	☐ Yes ☐ No	
	Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visu	nal inspection (certification) of the proposed site	☐ Yes ☐ No	
	Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Minin	g and Mineral Division	☐ Yes ☐ No	
	Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geolog Society, Topographic map	gy & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No	
	Within a 100-year floodplain FEMA map		☐ Yes ☐ No	
	On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Construction/Design Plan of Temporary Pit (for in-place burial of a drying Protocols and Procedures - based upon the appropriate requirements of 19.1 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	quirements of 19.15.17.10 NMAC of Subsection F of 19.15.17.13 NMAC appropriate requirements of 19.15.17.11 NMAC pad) - based upon the appropriate requirements of 19. 15.17.13 NMAC quirements of Subsection F of 19.15.17.13 NMAC of Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards cannot H of 19.15.17.13 NMAC in I of 19.15.17.13 NMAC	15.17.11 NMAC	

19. Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accurate	
Name (Print): Dennis Corknan	
Signature:	Date: 9/2/2009
e-mail address: D. Corkran@ corkranenergy con	7 Telephone: 512-329-6140
OCD Approval: Permit Application (including obsure plan) Closure Plan	(only) X OCD Conditions (see attachment)
OCD Representative Signature. Signed By Mile Brance	Approval Date: SEP 1 4 2009
Title: ERV- Spac-	OCD Permit Number: N/A
Closure Report (required within 60 days of closure completion): Subsection K Instructions: Operators are required to obtain an approved closure plan prior to The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure plan has been obtained.	implementing any closure activities and submitting the closure report. completion of the closure activities. Please do not complete this ure activities have been completed.
	Closure Completion Date:
22. Closure Method: Waste Excavation and Removal □ On-Site Closure Method □ Alternati □ If different from approved plan, please explain.	ve Closure Method Waste Removal (Closed-loop systems only)
23. <u>Closure Report-Regarding-Waste Removal Closure For Closed-loop Systems T</u> <i>Instructions: Please indentify the facility or facilities for where the liquids, drillit two facilities were utilized.</i>	hat Utilize Above Ground Steel Tanks or Haul-off Bins Only: ng fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities performed on or in Yes (If yes, please demonstrate compliance to the items below) \(\simega\) No	n areas that will not be used for future service and operations?
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	15 :
Closure Report Attachment Checklist: Instructions: Each of the following item mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation)	
	ieNAD: ☐1927 ☐ 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure repelled. I also certify that the closure complies with all applicable closure requirements.	
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

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
rict IV

0 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

					OPERATOR			Final Report				
Name of Company – Corkran Energy						Contact - Dennis Corkran						
Address - 3	00 Beards	ley Lane C20	04 Aust	in, TX 78746		Telephone No. – 512-329-6140						
Facility Nar	ne – Orlea	ns 25 #1				Facility Type – Drilling Pit						
Surface Ow	ner – Priva	ate		Mineral O)wner –				Lease N	Vo. 30-015	-35260	
LOCATIO					TIO	N OF DEI	FASE					
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	Fact/W	est Line	County		
B	25	18S	26E	1 cet nom the	HOLLID	South Line	rect from the	Lasu	CSt Line	Eddy		
	Latitude 32° 43.444' N Longitude 104° 19.923' W											
			L			OF RELI						
Type of Rele	ase – Drilli	ng Pit Content	ts .				Release – N/A		Volume I	Recovered -	N/A	
Source of Re						Date and H	Iour of Occurrence	ce NA	Date and	Hour of Dis	covery	9-24-09
Was Immedi						If YES, To	Whom?					
		🖸	Yes .	No. 🔯 Not Re	equired.							
By Whom?						Date and I-						
Was a Water	course Read			7		If YES, Vo	olume Impacting	the Wate	rcourse.			
			Yes 🗵	() No								
If a Watercon	urse was Im	pacted, Descr	ibe Fully.	*			·					
										•		
Describe Car	ice of Probl	em and Reme	dial Actio	n Taken.* Drillin	a pit co	ntents leaked	into underlying s	oil				
Describe Car	use of I tool	om and reme	utui Mono	ii rakeii. Dillilli	g pit co.	ntonis ioukou	mto underlying s					
			 									
				ken.* Pit bottoms								
				pproved remediati d TP5 was excavat								
				oit closure plan.	içu io zi	, ogs. The n	iipacicu soii was	CACAVAIC	d and nau	icu to Lea L	and Di	sposai. The
Site was oder	dillog aria s	ecaca per inc	original p	nt blobarb plan.								
Lhereby cert	ify that the	information of	iven ahov	e is true and comp	lete to t	he hest of my	knowledge and i	understan	d that pur	suant to NM	IOCD r	ules and
				nd/or file certain r								
public health	or the envi	ronment. The	acceptan	ce of a C-141 repo	ort by th	e NMOCD m	arked as "Final F	Report" de	oes not rel	lieve the ope	rator o	f liability
should their	operations l	nave failed to	adequately	y investigate and r	emediat	e contaminat	ion that pose a the	reat to gr	ound wate	r, surface w	ater, hu	man health
				ptance of a C-141	report d	loes not reliev	e the operator of	responsi	bility for c	compliance v	with an	y other
federal, state	, or local la	ws and/or regi	ulations.				OIL CON	CEDA	A TYON	DIMER)NI	
		۴	~				<u>OIL CON</u>	BER V	ATION	DIAI2IA	<u>JN</u>	
Signature:		201_	\cdot		$\overline{}$							
Printed Nam	e: DE	NWIS C	ORXO	AN, PRESID	ENT	Approved by	District Supervis	sor:				
Title:	1	_		475 LLC G		Approval Da	te:	I	Expiration	Date:		
mail Addr				KRAN ENGROS.	1	Conditions o	f Approval:			Attachas	. [
	1	10								Attached	<u>. L</u>	
	10/19/ itional She	ets If Necess		12/32965	<i>6</i>							

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

State of New Mexico **Energy Minerals and Natural Resources** Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and

provide a copy to the appropriate NMOCD District Office.

Pit, Closed-L	oop System, Be	<u>low-Grade Tank</u>	<u>, or</u>
Proposed Alternative	Method Permit	or Closure Plan	Application

Proposed Alternative Method Permit or Closure Plant	an Application
Type of action: Permit of a pit, closed-loop system, below-grade tank, or pit closed-loop system, below-grade tank, or Modification to an existing permit Closure plan only submitted for an existing permit below-grade tank, or proposed alternative method	proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system	ı, below-grade tank or alternative request
ease be advised that approval of this request does not relieve the operator of liability should operations result in pavironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable government.	pollution of surface water, ground water or the ernmental authority's rules, regulations or ordinances.
Operator: Corkran Energy OGRID #: 243	452
Address: 300 Beardsley Lane Austin, TX 78746	
Facility or well name: Orleans 25 #1	
API Number: 30-015-35260 OCD Permit Number:	
U/L or Qtr/Qtr B Section 25 Township 18S Range 26E	County: Eddy
Center of Proposed Design: Latitude 32° 43.444' N Longitude 104° 19.923' W	
Surface Owner: Federal State Private Tribal Trust or Indian Allotment	
✓ Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: ☑ Drilling ☐ Workover ☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☑ Lined ☐ Unlined Liner type: Thickness 12 mil ☑ LLDPE ☐ HDPE ☐ PVC ☐ Other ☐ String-Reinforced Liner Seams: ☑ Welded ☐ Factory ☐ Other	
Closed-loop System: Subsection H of 19.15.17.11 NMAC	
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which intent)	h require prior approval of a permit or notice of
Drying Pad Above Ground Steel Tanks Haul-off Bins Other	
Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC	Other
Liner Seams: Welded Factory Other	
Below-grade tank: Subsection I of 19.15.17.11 NMAC	
Volume:bbl Type of fluid:	
Tank Construction material:	a 1
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic ove	
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other	
her type: Thicknessmil	· · · · · · · · · · · · · · · · · · ·

Alternative Method:

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, he institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	nospital,
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
Signs: Subsection C of 19.15.17.11 NMAC ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19.15.3.103 NMAC	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau of consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying ve-grade tanks associated with a closed-loop system.	priate district pproval.
oround water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	Yes No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes No
thin a 100-year floodplain FEMA map	☐ Yes ☐ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC □ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.			
Disposal Facility Name: Disposal Facility Permit Number:			
sposal Facility Name: Disposal	Facility Permit Number:	<u> </u>	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information below) No			
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.			
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained	i from nearby wells	☐ Yes ☐ No ☐ NA	
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained	I from nearby wells	☐ Yes ☐ No ☐ NA	
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained	I from nearby wells	☐ Yes ☐ No ☐ NA	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant v lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	vatercourse or lakebed, sinkhole, or playa	Yes No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in existe - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	nce at the time of initial application.	☐ Yes ☐ No	
hin 500 horizontal feet of a private, domestic fresh water well or spring that less than five watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in - NM Office of the State Engineer - iWATERS database; Visual inspection (certificat	existence at the time of initial application.	☐ Yes ☐ No	
Within incorporated municipal boundaries or within a defined municipal fresh water well fie adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained	_	Yes No	
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspect	ion (certification) of the proposed site	☐ Yes ☐ No	
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Min	eral Division	Yes No	
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mine Society; Topographic map	ral Resources; USGS; NM Geological	☐ Yes ☐ No	
Within a 100-year floodplain FEMA map		Yes No	
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) Soil Cover Design - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			

19.			
Operator Application Certification:			
I hereby certify that the information submitted with this application	n is true, accurate and complete to the best of my knowledge and belief.		
Name (Print):	Title:		
Titalio (1 mi).			
Signature:	Date:		
e-mail address:	Telephone:		
20.			
OCD Approval: Permit Application (including closure plan)	☐ Closure Plan (only) ☐ OCD Conditions (see attachment)		
OCD Representative Signature:	Approval Date:		
OOD Representative Signature.	Approvar Date:		
Title:	OCD Permit Number:		
21.			
Closure Report (required within 60 days of closure completion)			
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report.			
The closure report is required to be submitted to the division within section of the form until an approved closure plan has been obtain	tin 60 days of the completion of the closure activities. Please do not complete this		
section of the form white an approved closure plan has been obtain			
	☐ Closure Completion Date:10-2-2009		
22.			
Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method	d Alternative Closure Method Waste Removal (Closed-loop systems only)		
☐ If different from approved plan, please explain.	- Later and the control of the contr		
23.			
Closure Report Regarding Waste Removal Closure For Closed-	l-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:		
	the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than		
two facilities were utilized.	nt in the new tax i		
Disposal Facility Name:			
isposal Facility Name: Disposal Facility Permit Number:			
Were the closed-loop system operations and associated activities pe Yes (If yes, please demonstrate compliance to the items below	erformed on or in areas that will not be used for future service and operations?		
_ ` ` ` ` .	, -		
Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation)	ice and operations:		
Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
24.			
	he following items must be attached to the closure report. Please indicate, by a check		
mark in the box, that the documents are attached. ☐ Proof of Closure Notice (surface owner and division)			
Proof of Deed Notice (required for on-site closure)			
Plot Plan (for on-site closures and temporary pits)			
☐ Confirmation Sampling Analytical Results (if applicable) ☐ Waste Material Sampling Analytical Results (required for on	n_site closure)		
☐ Waste Material Sampling Analytical results (required for on ☐ ☐ Disposal Facility Name and Permit Number	n-site closure)		
Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
☐ Site Reclamation (Photo Documentation) On-site Closure Location: Latitude	Longitude NAD: 1927 1983		
Operator Closure Certification:			
- 	th this closure report is true, accurate and complete to the best of my knowledge and		
	closure requirements and conditions specified in the approved closure plan.		
Name (Print): X DENNIS CORTRAN	Title: PRESIDENT, HUMMINGEIRO LEVES		
	1 1 6. 1. 220		
Signature: V	Date: 10/19/09		
V D a 41-44 - O :: 41	- 1 - 1 - 1		
Te-mail address: X D.CORKRAN C CORKRANER	N SKG Y. COM Telephone: 5/2/829/6/90		