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

NOV 02-08-12 ACO 244

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised October 10, 2003 abmit 2 Copies to appropriate

Form C-141

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

NSEBO815150569 Release Notification and Corrective Action

		PERAIC		in	itial Re		Final Report X	Subseque	nt Keport								
		felrose Oper	<u>-</u>			Contact: To											
				oma City OK 73110	6		No.: 214 762-08										
Facility Na	ne: Rotar	y State, Wel	l #4 (015	01963)		Facility Typ	e: Battery, flov	vline									
Surface Ow	ner: State			Mineral (hvner			Lease	No :								
Surrace Ow	iici. State			winiciai	JWIICI			Lease	110.,								
				LOCA	ATIO	N OF RE	LEASE										
Unit Letter	Section	Township	Rang	Feet from the	1	h/South Line	Feet from the	East/West Line									
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	L	<u> </u>	J	Latitude		Longitud	e	<u> </u>									
						E OF REL			·								
Type of Rele						Volume of			Recovered:								
Source of Re	lease: at ba	attery				Date and H	Iour of Occurrence	e Date and	Hour of Discovery								
Was Immedia	ate Notice (Fiven?				If YES, To	Whom?		······································								
Initial C-14			Yes N	o Not Require	ed	Sherri Bov											
By Whom?						Date and F											
Was a Water	course Read		1 37 37			If YES, Vo	olume Impacting t	he Watercourse.									
1			Yes X														
If a Watercou	ırse was Im	pacted, Descr	ibe Fully.	*													
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Describe Cau	ise of Probl	em and Reme	dial Actio	n Taken.*													
				ediated, clean-up	is com	plete, and fina	l closure inspection	on performed by									
On Conserva	mon lavisi	on on 9-22-08	• ;														
Describe Are	a Affected	and Cleanup	Action Tal	cen.*													
									rsuant to NMOCD rules and								
	7.	-	_				-		leases which may endanger								
									lieve the operator of liability er, surface water, human health								
or the environ	nment. In a	ddition, NMC	OCD accep	otance of a C-141					compliance with any other								
federal, state	or local la	ws and/or regi	ılations														
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Signature:	•	Must.						1.1									
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E-mail Addre	ess: ann.wto	or@gmail.com	1			Conditions of	Approval: N	/	Attached [
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Date: 02-11		ne: 432 684-6															
Attach Addi	uonal She	ets if Necess	ary					2 R	P-174								
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PHONE (575) 393-2328 . 101 E. MARLAND . HOBBS, NM 88240

ANALYTICAL RESULTS FOR TNT BACKHOE SERVICE ATTN: RAY MARTIN P.O. BOX 133 ARTESIA, NM 88211 FAX TO: (575) 748-0807

Receiving Date: 08/20/08
Reporting Date: 08/22/08
Project Number: NOT GIVEN
Project Name: MELROSE
Project Location: NOT GIVEN

Analysis Date: 08/21/08 Sampling Date: NOT GIVEN Sample Type: SOIL Sample Condition: INTACT Sample Received By: ML Analyzed By: HM/TR

			C	
	LAB NUMBER	sample id	(mg/kg)	
Г	H15775-1	SOUTHSIDE (1)	3,360	Humble Bled
İ	H15775-2	EAST SIDE (2)	960	Humble Blay
	H15775-3	BACK SIDE (3)	<16	Rotary #42
7	H15775-4	NORTH SIDE (4)	304	Humble Bley
,	H15775-5	WEST SIDE (5)	17,200	Hamble Btay
	H15775-6	EAST (6)	496	Humble Bley Humble Bley Humble Bley
}-	Quality Control		520	
Γ	True Value QC		500	7
- 1	% Recovery		104	
	Relative Percent	Difference .	3.9	

METHOD: Std. Methods 4500-Cl'B NOTE: Analyses performed on 1:4 w:v aquecus extracts.

Date

PLEASE SOTE Liability and Castregue. Continue's tability and discrete auditance remains for any chain prising, wrighter based in contract or tart, and to be innered to private private and contract or tart, and to be innered to the private private and recovered by Castrellas which many (50) days allow compression of the applicable services, in no event state Castrellas be liable for incidental of colorapidated damages, including, welfout inhalation, business interruptions, risk of use, or has of profits incurred by client, its subsidiaries or subsections assets out or resteed to the performance of services have under the Castrellas or white visit of the services assets of the early of the early and the properties of the contract of the early of the e



ARDINAL LABORATORIES

101 East Mariand, Hobbs, NM 88240

State: Fax #: Project Ox		BILL TO P.O. #: Company: Attn: Address; City: State: Zip: Phone #:						NALY		E GO	31			
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Date: Tangle: Circle One) Bus - Other:	Temp. Sample C	tol at 15 n lb												
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06-Mar-09

Well Inspection History

API Number: 30-015-01963-00-00 Well Name & No.: ROTARY STATE

County Name: EDDY Operator: MELROSE OPERATING COMPANY, MICHA District: ARTESIA

Legal: S: 20 T: 18S R: 28E Field: ROTARY STATE

Well Type: OIL (PRODUCING)

Insp. Dt. Insp. Type Insp. Purpose Insp. No. RmdyRqDt Insp. By Viol. SNC Failed Codes 8/19/2008 Routine/Periodic Normal Routine Activity iSEB08232394 217 Met with operator rep Mark Mermis. Reviewed soil analytical data. Verbal approval to backfill excavated area north of PJ based on data. CI level SE of PJ elevated. Rep took background sample to send to lab. Possible add'l excavation pending analytical report. 8/7/2008 Routine/Periodic iSFR08220506 217

Normal Routine Activity

Compliance verification. Area N of PJ excavated. Stockpiled soils removed. Area cleaned up.

7/21/2008 Routine/Periodic Normal Routine Activity iSEB08220505 217

Sample event witnessed.

7/18/2008 Routine/Periodic Normal Routine Activity iSEB08202717 217

Met with Operator designated contractor for purpose of witnessing sample event. Contractor not prepared. Sample event rescheduled for

7/21/08.

6/13/2008 Routine/Periodic Normal Routine Activity iSEB08165445

Met with Garv Newton, Superintendent for Melrose and with Mark Mermis of TNT Backhoe Services. Area has been cleaned. Stockpiled soils

will be hauled off to disposal. Confirmation samples to be obtained and submitted.

5/30/2008 File and Compliance Review Normal Routine Activity iSEB08151506

Initial C141 rec'd

5/13/2008 Routine/Periodic Enforcement Action Follow-u iREI08134408 213

Spill area has been cleaned up. Soils sitting on location on plastic.

4/2/2008 Routine/Periodic Normal Routine Activity 213 iREI08093522

There appears to have been a recent release of hydrocarbons. East end of pad site is stained and runs across the road. Also on north side it

flowed slightly onto pasture.

Violation(s): Rule 19.15.1.13.B General Operations/ Waste Prohibited and

Rule 19.15.3.116 Release Notification and Corrective Action

Please submit an initial report form C-141 by compliance due date.

1/6/2004 Routine/Periodic Normal Routine Activity iPCH0400642 210

A-OK, All Equipment and Location in Good Shape,

7/17/2002 Routine/Periodic Normal Routine Activity iMLB02198422 211

Well is back in production. PJ-Oper.

10/19/1999 Routine/Periodic Status Check iELG0002987 207

No Flowline.

Total Inspections Performed: 11



ANALYTICAL RESULTS FOR TNT BACKHOE SERVICE ATTN: RAY MARTIN P.O. BOX 133 ARTESIA, NM 88211 FAX TO: (575) 746-0807

Receiving Date: 07/22/08

Reporting Date: 07/24/08

Project Owner: NOT GIVEN Project Name: NOT GIVEN

Project Location: ROTARY ST. #4

Sampling Date: 07/21/08 Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: AB

Analyzed By: AB

	GRO	DRO	
	(C ₆ -C ₁₀)	(>C ₁₀ -C ₂₈)	CI*
LAB NUMBER SAMPLE ID	(mg/kg)	(mg/kg)	(mg/kg)

ANALYSIS DATE	07/23/08	07/23/08	07/23/08
H15213-1 #1	<10.0	625	1,150
H15213-2 #2	23.1	3,440	112
		A192	
Quality Control	526	434	500
True Value QC	500	500	500
% Recovery	105	86.8	100
Relative Percent Difference	10.3	4.6	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Std. Methods 4500-CIB *Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

07/24/08

H15213TCL TNT



ANALYTICAL RESULTS FOR TNT BACKHOE SERVICE ATTN: RAY MARTIN P.O. BOX 133 ARTESIA, NM 88211 FAX TO: (575) 746-0807

Receiving Date: 07/22/08 Reporting Date: 07/25/08

Project Owner: NOT GIVEN
Project Name: NOT GIVEN

Project Location: ROTARY ST. #4

Sampling Date: 07/21/08

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: AB

Analyzed By: CK

LAB NUMBER SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE	07/24/08	07/24/08	07/24/08	07/24/08
H15213-1 #1	<0.010	<0.010	<0.010	<0.030
H15213-2 #2	<0.010	<0.010	0.014	0.052
Quality Control	0.048	0.044	0.043	0.133
True Value QC	0.050	0.050	0.050	0.150
% Recovery	97.1	88.7	86.6	88.7
Relative Percent Difference	7.0	12.1	1.6	3.6

METHOD: EPA SW-846 8260

TEXAS NELAP CERTIFICATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE, AND TOTAL XYLENES.

Chemist

Date



101 East Marland, Hobbs, NM 88240 (575) 393-2326 Fax (575) 393-2476

ompany Name:	TNI Backhot		BIL	L TO	ANALYSIS REQUEST											
roject Manager:			P.O. #:										T		$\neg \top$	\neg
ddress:			Company:		1			1		l		1			l	•
City:	State:	Zip:	Attn:					i					İ			
Phone #:	Fax #:		Address:						Ì				Ì			
Project #:	Project Owner	:	City:						ļ				ŀ		l	ł
Project Name:			State: Zip:													
Project Location	: Rotary St. #4		Phone #:							ļ						1
Sampler Name:			Fax #:	·											ļ	
Lab I.D.	Sample I.D.	# CONTAINERS # CONTAINERS GROUNDWATER WASTEWATER SOIL SOIL DIL	ACID/BASE: 24 COOL CTHER: AND COTHER: AND	DATE TIME	TPH	BTEX	61-									
H15213-1	#1	#	" J	7/21/08 8:36	X	X	X					 			-	
-2	# #2	X	3	7/21/08 8:46	X X	X X	X									
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analyses All claims include service in no event shall 0	nd Damages Cardinal's liability and client's exclusive remedy for ing those for negligence and any ofther cause whistoower shall be serdinal be liable for incidental or consequental damages, includi- ing out of or related to the performance of services hersunder by	e deemed warved unless made in writing ng without irmitation, business interruptio	and received by Cardmal wins, loss of use, or loss of pro	thin 30 days after completion o fits incurred by client, its subsic	f the applicationes,	able	-	30 days	past due a	t the rate o		ennum fro	m the ongir	nts more than		·
Sampler Reling	Uished: Date: 07/27/00 Time: 11:00a		37	Phone F Fax Res REMAR	Result: oult:	0		No No		Phone Fax #						
ŀ	r: (Circle One)		ED BY: ials)						<u>.</u>					<u> </u>		

[†] Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

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

* Attach Additional Sheets If Necessary

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 JUN 18 2008 Submit 2 Copies to appropriate
District Office in accordance
With Rule 116 on back
side of form

			Rele	ease Notific	cation	n and Co	rrective A	ction			
	0	PERATO	R	Ini	tial Re	port 🗌	Final Report	X S	ubsequent	Report	
						Contact: To	ny Beilman		·····		
Address: c/o P.O. Box 953, Midland, TX 79702 Facility Name: Rotary State, Well #4 (30 015 01963) Surface Owner: State LOC								30			
Facility Nar	ne: Rotary	State, Well	#4 (30 0	15 01963)		Facility Typ	e: Battery				
Surface Ow	ner: State			Minaral C	hunor				Logga		
Surface Own	nci. state) witherar C	MIICI				Lease N	10	
Surface Owner: State LOCATION OF REL Unit Letter Section Township 28E Feet from the North/South Line North Latitude Longitude NATURE OF RELE Type of Release: Source appears load line leak @ tank Volume of E Source of Release: Wellhead to load line to crude oil storage tank Date and He 4-17-08 - O Was Immediate Notice Given? Yes X No Not Required By Whom? Gary Newton Date and He Was a Watercourse Reached? If YES, Vol. The Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.*						·					
									lest Line	County: Lea	
G	20	100	28E	2100	North	!	1980	East			
		<u> </u>		Latitude	I	Longitud	e	L			
					URE						
Type of Relea	ase: Source	appears load	line leak (ls	Volume R	ecovered: 0 bbls	
Source of Rel	lease: Well	head to load li	ne to crud	e oil storage tank		I		e			
											
Unit Letter G						If YES, To	Whom?Arranged	I for clea	ın-up upon	inspection notification 4-17-0	8
By Whom? G	ary Newton	n				Date and H	rtified mailing				
Was a Watercourse Reached? If YES, Volume Impacting the Watercourse.											
		Li	Yes X	No							
Surface Owner: State											
Describe Cau	se of Proble	em and Reme	dial Action	n Taken.*							
					contain	ment-dirt rem	oved & placed on	12 mil j	plastic line	r. Samples from this soil were	
taken to Card	inal Lab an	d we are waiti	ng for the	results.							
Describe Area	a Affected	and Cleanup A	Action Tak	cen.*						_	
					es.						
I hereby certif	fy that the i	nformation gi	ven above	is true and compl	lete to t	he best of my	knowledge and u	nderstan	d that purs	uant to NMOCD rules and	
Initial Report											
					icport u	ocs not icheve	c die operator or i	съропыс	mity for co	inpliance with any other	
			1/10)			OIL CONS	SERV	ATION	DIVISION	
a		Mode	HH	7							
Signature:		may f	ulehr	<i>d</i>							
Printed Name	: Ann E. Ri	itchie				Approved by	District Superviso	or:			
Address: c/o P.O. Box 953, Midland, TX 79702 Facility Name: Rotary State, Well #4 (30 015 01963) Surface Owner: State Mine LO											
Title: Regulat	ory Agent					Approval Date	e:	E	xpiration I	Date:	
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L-man Addre	am.mc	nca wioi.ilet				Conditions Of	Approvar.			Attached	
Date: 6-11-0	18 Phor	ne: 432 684_63	₹	1							



Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



July 10, 2008

Melrose Operating Company Attn: Michael J. Corjay 1000 W. Wilshire, Suite 223 Oklahoma City, OK 73116

Email: mcorjay@melroseenergy.com

Re: Agreed Compliance Order No. 244 / Notice of Violation 02-08-12

Operator: Melrose Operating Company; OGRID: 184860 Facility: Rotary State No. 4; 30-015-01963; G-20-18S-28E

Violation: OCD Rule 19.15.3.116 NMAC

Dear Mr. Corjay:

Thank you for signing and returning the Agreed Compliance Order ("ACO") and your payment of \$1,000.00 for the assessed civil penalty. A copy of the executed ACO is enclosed.

The ACO requires Melrose Operating Company to submit a complete and accurate C-141 to OCD <u>by July 11, 2008</u>; take and have soil samples analyzed <u>by July 18, 2008</u>; present the analyticals and a work/remediation plan to the OCD <u>by August 15, 2008</u>; and have the remediation completed <u>within 30 days of OCD approval of the work/remediation plan</u>.

Please contact me at (505) 476-3463 or sonny.swazo@state.nm.us if you have any questions.

Sincerely,

Sonny Swazo OCD Assistant General Counsel

ec: Daniel Sanchez, OCD Enforcement and Compliance Manager

Tim Gum, Supervisor, OCD District II

Gerry Guye, Compliance Officer, OCD District II Richard Inge, Compliance Officer, OCD District II



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

ACO No. 244

IN THE MATTER OF MELROSE OPERATING COMPANY,

Respondent.

AGREED ORDER DIRECTING COMPLIANCE AND ASSESSING CIVIL PENALTY

Pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38, as amended ("Act"), and the regulations promulgated under the Act, the Director of the Oil Conservation Division of the Energy Minerals and Natural Resources Department of the State of New Mexico ("OCD") issues this Order to Melrose Operating Company (hereinafter, "Operator") directing compliance with the Act and OCD Rules, and assessing a penalty for violations of the Act and OCD rules.

I. FINDINGS

- 1. The OCD is the state division charged with administration and enforcement of the Act and OCD Rules.
- 2. Operator is an active foreign for-profit corporation registered to do business in New Mexico under SCC Number 1781228.
- 3. Operator operates wells within New Mexico under OGRID 184860.
- 4. According to the Public Regulation Commission website, Operator's principal business address is 5813 NW Grand Blvd, Suite B, Oklahoma City, OK 73118. Operator's address of record with OCD is 1000 W. Wilshire, Suite 223, Oklahoma City, OK 73116.
- 5. Operator is Operator of Record of the following well:
 - Rotary State No. 004; 30-015-01963; G-20-18S-28E
- 6. During a routine inspection of the well on April 2, 2008, OCD Deputy Oil and Gas Inspector Richard Inge observed evidence of a hydrocarbon release. The soil on the east end of the location was stained. The stain extended across the road and into the pasture on the north side of the location.

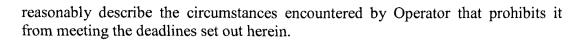
- 7. On April 14, 2008, Deputy Inspector Inge sent Operator a letter of violation (LOV No. 02-08-059) which informed Operator of the release and the violation of OCD rules. The letter instructed Operator to submit an initial report form C-141 by April 29, 2008. The letter was signed for by Mary Eschberger on April 17, 2008, at Operator's office in Midland, Texas.
- 8. OCD Rule 19.15.3.116 NMAC ("Rule 116") requires OCD to be notified of any unauthorized release and for such release to be remediated in accord with OCD requirements and standards.
- 9. OCD received no response from Operator to the April 14 letter.
- 10. As a result, on May 15, 2008, OCD issued Notice of Violation No. 02-08-12, which alleged that Operator was in knowing and willful violation of OCD Rule 116.
- 11. On June 10, 2008, an administrative conference was held on the Notice of Violation. Operator's employee Michael Corjay participated in the conference by telephone.
- 12. The following facts were presented at the conference:
 - The Artesia District Office received Operator's C-141 on May 21, 2008.
 - The Artesia District Office sent a letter to Operator informing it that its C-141 was incomplete and insufficient. The letter instructed Operator to submit a correct C-141 by June 13, 2008.

II. CONCLUSIONS

- 1. The OCD has jurisdiction over the parties and subject matter in this proceeding.
- 2. Operator is a person as defined by NMSA 1978, § 70-2-33(A) that may be subject to civil penalties under NMSA 1978, § 70-2-31(A).
- 3. NMSA 1978, Section 70-2-31(A) states, "Any person who knowingly and willfully violates any provision of the Oil and Gas Act or any provision of any rule or order issued pursuant to that act shall be subject to a civil penalty of not more than one thousand dollars for each violation. For purposes of this subsection, in the case of a continuing violation, each day of violation shall constitute a separate offense."
- 4. Operator is subject to civil penalties under NMSA 1978, § 70-2-31(A) for knowing and willful violations of OCD Rule 116.

III. ORDER & CIVIL PENALTY ASSESSMENT

- 1. Taking into account both aggravating and mitigating factors, the OCD hereby assesses a civil penalty against Operator totaling **One Thousand Dollars** (\$1,000.00). The \$1,000.00 civil penalty is based on one violation of OCD Rule 116.
- 2. The **One Thousand Dollars (\$1,000.00)** civil penalty shall be paid upon execution of this Order. Payment shall be made by <u>certified or cashier's check</u> made payable to the "New Mexico Oil Conservation Division," and mailed or hand-delivered to the New Mexico Oil Conservation Division, Attention: Director, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.
- 3. Operator shall complete the following requirements:
 - a. Operator shall submit a complete and accurate C-141 by July 11, 2008.
 - b. By July 18, 2008, Operator shall take soil samples and have the samples analyzed (Operator shall notify the OCD Artesia District Office at least 48 hours in advance of the sampling so that a representative from the Artesia District Office can observe the sampling);
 - c. By August 15, 2008, Operator shall present to the Artesia District Office the analyticals from the samples and a work plan for the remediation;
 - d. Operator shall complete remediation procedures with 30 days of OCD's approval of the work plan.
- 4. By signing this Order, Operator expressly:
 - a. acknowledges the correctness of the Findings and Conclusions set forth in this Order;
 - b. agrees to comply with the Order;
 - c. waives any right, pursuant to the Oil and Gas Act or otherwise, to a hearing either prior or subsequent to the entry of this Order or to an appeal from this Order;
 - d. agrees that if it fails to comply with this Order, the Order may be enforced by suit or otherwise to the same extent and with the same effect as a Final Order of the Division entered after notice and hearing in accordance with all terms and provisions of the Oil and Gas Act;
- 5. For good cause shown, Operator may request an extension to complete the requirements as set out in Ordering Paragraph 3. Such notification ("notice") shall



Within ten (10) days of receipt of this notice, the OCD shall either approve the extended time requested by Operator by executing a written amendment to this Order, or notify Operator that it will not extend the deadline. The OCD's approval of a time extension shall not be unreasonably withheld.

6. Nothing in this Order relieves Operator of its liability should its operations fail to adequately investigate and remediate contamination that poses a threat to ground water, surface water, human health or the environment. In addition, nothing in this Order relieves Operator of its responsibility for compliance with any other federal, state or local laws and/or regulations.

Done at Santa Fe, New Mexico this	day of 2008.
Ву	:
	Mark Fesmire, P.E. Director, Oil Conservation Division

ACCEPTANCE

Melrose Operating Company hereby accepts the foregoing Order, and agrees to all of the terms and provisions as set forth in the Order.

Melrose Operating Company
By:
Title:
Date:





Bonham, Sherry, EMNRD

From: Bonham, Sherry, EMNRD

Sent: Friday, June 13, 2008 2:26 PM

To: gnewton@pvtnetworks.net

Subject: State E 1286 Battery and Rotary State 4

Gary,

Thank you for meeting with me today at the above mentioned sites. As per our conversations:

State E 1286 Battery:

- 1. Excavation in progress to remove contaminated soils. Excavated soils are to be hauled to proper disposal.
- 2. Soil samples will be obtained. OCD will be given 48 hour notice prior to sample event where soil analytical data is to be submitted to OCD.
- 3. Results of the soil analytical data will be forwarded to OCD for approval prior to any backfilling activities.

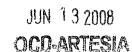
Rotary State 4:

- Stockpiled soils will be hauled to proper disposal.
- 2. Confirmation soil samples will be obtained. OCD will be given 48 hour notice prior to obtaining samples.

Should you have any questions/concerns, please don't hesitate to contact me. And should I not hear from you, I will assume you are in agreement with the above mentioned points. Again, I appreciate the opportunity to meet and work with you.

Sherry Bonham NMOCD District II 1301 West Grand Avenue Artesia, NM 88210 575.748.1283.ext 109







PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS. NM 88240

ANALYTICAL RESULTS FOR TNT BACKHOE SERVICE ATTN: RAY MARTIN P.O. BOX 133 ARTESIA, NM 88211 FAX TO: (575) 746-0807

Receiving Date: 06/11/08 Reporting Date: 06/12/08

Project Owner: NOT GIVEN Melpuse

Project Name: ROTORY #4
Project Location: NOT GIVEN

Sampling Date: 05/10/08 Sample Type: SOIL

Sample Condition: INTACT Sample Received By, ML Analyzed By, CK/KS

 GRO (Cr-C₁0)
 DRO (Cr-C₂8)
 CI*

 LAB NUMBER SAMPLE ID
 (mg·kg) (mg/kg) (mg/kg)
 (mg/kg)

 ANALYSIS DATE
 06/11/08 06/11/08 06/11/08
 06/11/08 06/11/08

 H14966-1 ROTORY #4
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H14966-1 ROTORY #4	83.5	10,700	8,000
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Quality Control	527	589	500
True Value QC	500	500	500
% Recovery	105	118	100
Relative Percent Difference	10.6	103	<0.1

METHODS: TPH GRO & DRO; EPA SW-846 8015 M; Std. Methods 4500-CFB *Analysis performed on a 1:4 w/v aqueous extract.

Chemist A

Date

H14966TCL TNT

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101 East Mariand, Hobbs, NM 88240

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[†] Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



From: Ann Ritchie [ann.ritchie@wtor.net]

Sent: Tuesday, June 03, 2008 11:06 AM

To: Bonham, Sherry, EMNRD

Subject: Re: Rotary State 004 30 015 01963 G-20-18S-28E Request for corrected initial report C141 and

alternate work plan

Thank you Sherry - I will submit the request for dates, times, volumes, etc.

Ann Ritchie for Melrose Operating Co.

WEST TEXAS OIL REPORTS

P.O. Box 953

Midland, TX 79702

ann.ritchie@wtor.net

432 684-6381;682-1458-fax

---- Original Message -----

From: Bonham, Sherry, EMNRD

To: ann.ritchie@wtor.net

Sent: Tuesday, June 03, 2008 11:58 AM

Subject: Rotary State 004 30 015 01963 G-20-18S-28E Request for corrected initial report C141 and alternate

work plan

Ann,

Please find attached a letter requesting the above mentioned information. I will be sending the letter certified as well. Should you have any questions, please feel free to contact me. Thank you.

Sherry Bonham NMOCD District II 1301 West Grand Avenue Artesia, NM 88210 575.748.1283 ext 109

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Melvose Operating AREA Superintend

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	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7007 268 (Transfer from service label)	0 0001 6451 5636
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