

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

RECEIVED

NOV 09 2009

HOBBSOCD

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

☒ Initial Report ☒ Final Report

Name of Company	Agua Sucia, LLC	Contact	Louis Edgett / Ben Stone, Agent, SOS Consulting, LLC
Address	14605 Memorial Dr, Bixby, OK 74008	Telephone No.	(575) 631-3387 / (903) 488-9850
Facility Name	Government 'E' No.1 SWD Facility	Facility Type	Salt Water Disposal Facility
Surface Owner	BLM	Mineral Owner	BLM
		Lease No.	

LOCATION OF RELEASE

API # 30-025-23708-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	25	19-S	34-E	610'	FSL	1880'	West	Lea

Latitude 32.625818 Longitude -103.516315

NATURE OF RELEASE

Type of Release	Seepage from workover pit	Volume of Release	<5 bbl	Volume Recovered	n/a
Source of Release		Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

WATER 9' 90'

Describe Cause of Problem and Remedial Action Taken.* Please note that operations described herein occurred prior to and during the change to the current operator. Facility was originally owned and operated by Louray Oil Company.

This form is submitted subsequent to an approved C-144 pertaining to the closure of the subject site workover pit as required by OCD. PLEASE SEE ATTACHED SUPPORTING DATA INCLUDING SITE DIAGRAMS, SOIL SAMPLES, PIT EXCAVATION SCHEMATICS, ETC.

Describe Area Affected and Cleanup Action Taken.*

Seepage is contained to the pit and the immediate surrounding surface and subgrade soils.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION		
Printed Name: Ben Stone	Approved by ENV. ENGINEER: District Supervisor: <i>Jeffrey Lohring</i>		
Title: Agent, SOS Consulting, LLC	Approval Date: 02/15/10	Expiration Date: _____	
E-mail Address: ben@sosconsulting.us	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 10/30/09 Phone: (903) 488-9850			IRP-10-2-2425

* Attach Additional Sheets If Necessary

FGRL 1004641926

POST CLOSURE SUMMARY
Government 'E' No.1 SWD Facility
Agua Sucia, LLC

Attachment to C-141

Overview and Background

This summary report is being submitted as part of Form C-141 to document the closure of the subject pit and subsequent to the approved C-144 which detailed the closure plan for the pit.

Agua Sucia, LLC acquired the Government 'E' No.1 Salt Water Disposal Facility from Louray Oil Company in July 2009, during the pit remediation operations described herein. The change of operator was approved by Paul Katuz on July 20, 2009.

The well is located in Unit Letter 'N' of Section 25, Township 19 South, Range 34 East and is approximately 15 miles west/southwest of Hobbs, New Mexico.

For the purpose of this narrative the term "operator" shall refer to Agua Sucia, LLC, its agent or its contractor(s) retained for the operations described herein.

Remediation Procedure Detail

1. Procedure and Protocols

(a) The operator removed all liquids and BS&W and otherwise excavated all contents from the [temporary] pit disposes of the liquids and BS&W in a division-approved facility.

(b) The operator removed the pit liner and disposed of it in a division-approved facility. The operator removed all decommissioned equipment associated with the pit.

(c) The operator tested the soils beneath the [temporary] pit to determine whether a release has occurred. The operator collected samples from three points initially to establish a workable profile of the extents of the contamination. Based on these initial samples a portion of the pit was excavated and removed for disposal. All samples were and analyzed for BTEX, TPH, the GRO and DRO combined fraction and chlorides. Please see the attached documents from Cardinal Laboratories. All constituents were below prescribed levels with the exception of chlorides.

(d) Based on the initial three samples, the resulting excavated pit was then sampled using a five point spot to acquire additional samples. There were no obvious wet spots or staining during the excavation process. These samples were tested for chlorides and the results are attached. The center of the five spots was the highest and three samples on the SE/NW diagonal were all elevated.

(e) Based on the five spot sampling, additional excavation was performed. (Please see attached pit excavation schematics.) Subsequent to this excavation, a final sample was obtained from the center of the pit. The remaining chlorides tested to be at 206 ppm.



2. Excavation and Waste Removal

The waste (all pit contents, liner and any excavated contaminated soil) were transferred to the division-authorized, permitted facility in Lea County operated by CRI (Controlled Recovery Inc.). Permit number R-9166. A total of 355 yards of material was transferred to CRI. Excavations, disposals and soil sampling progressed as follows:

6/26/2009 thru 6/29/2009. Excavated and hauled 336 cubic yards of contaminated soil to CRI. Sampling was delayed due to rain. The first rain was right after the first clean out - pit was full and water was vacuumed and transferred to on site tanks.

6/30/2009 thru 7/1/2009 – Shut down due to rain.

7/2/2009 Vacuumed water out of the pit. Shut down until dry out enough to get a sample.

7/15/2009 American Safety (ASI) sampled the pit. Started with a 3-spot sample to establish basic levels involved. Shut down and waited 2 weeks to get the results of the samples back from Cardinal Laboratories.

7/27/2009 The chlorides from the South sample still exceeded limits. Obtained 5-spot samples. Excavated 19 cubic yards - more rain.

8/28/2009 The middle sample was too high on chlorides - excavated 12 cubic yards.

9/2/2009 Soil sample pulled from middle of the pit. Waited a few weeks for results - 206 ppm.

3. Soil Backfill and Cover Design Specifications

Upon approval of pit closure, the pit will be backfilled as follows.

Exception Requested - The operator proposes fill of clean, compacted caliche during the ongoing operation of the site as a salt water disposal facility. At the time of final decommissioning of all operations, the operator shall include a topsoil design to facilitate re-vegetation and will be properly permitted through applicable regulatory agencies.

(b) The operator shall construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material.

4. Re-Vegetation Plan

The operator shall substantially restore and re-vegetate the impacted area's surface in accordance with Subsections G, H and I of 19.15.17.13 NMAC.

Exception Requested – As the facility is a semi-permanent, ongoing oil and gas operation, all surface area within the fenced perimeter is compacted caliche with some concrete equipment pads in use. At this time, for the duration of continuing operations, the operator proposes to backfill and compact the site to match the surrounding site location. As the area impacted by this pit closure is small, it would not be useful to only try a small footprint re-vegetation effort while the area is still subject to moving equipment and ongoing operations.

This plan will effectively prevent erosion, and protect fresh water, human health and the environment. The proposed alternative will be submitted for approval by the surface owner, Bureau of Land Management. Upon approval, the operator shall submit the proposed alternative,



with written documentation that the surface owner agrees to the alternative, to the division for approval.

The operator shall notify the division when it has seeded or planted and when it successfully achieves re-vegetation.

5. Site Reclamation Plan

(a) Once the operator has closed a pit or trench or is no longer using a drying pad, below-grade tank or an area associated with a closed-loop system, pit, trench or below-grade tank, the operator shall reclaim the pit location, drying pad location, below-grade tank location or trench location and all areas associated with the closed-loop system, pit, trench or below-grade tank including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. The operator shall substantially restore the impacted surface area to the condition that existed prior to oil and gas *[specifically the opening and use of the subject pit]* operations by placement of the soil cover as provided in Subsection H of 19.15.17.13 NMAC, recontour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.

(b) The operator may propose an alternative to the re-vegetation requirement if the operator demonstrates that the proposed alternative effectively prevents erosion, and protects fresh water, human health and the environment. The proposed alternative shall be agreed upon by the surface owner. The operator shall submit the proposed alternative, with written documentation that the surface owner agrees to the alternative, to the division for approval.

Summary and Conclusion

Agua Sucia, LLC seeks approval for its remediation operations described herein. All wastes were excavated and disposed of at the CRI licensed waste disposal facility. Further, Agua Sucia will continue operations at the site with appropriate housekeeping guidelines in place and will notify the NMOCD and submit complete and accurate paperwork for any events requiring such.

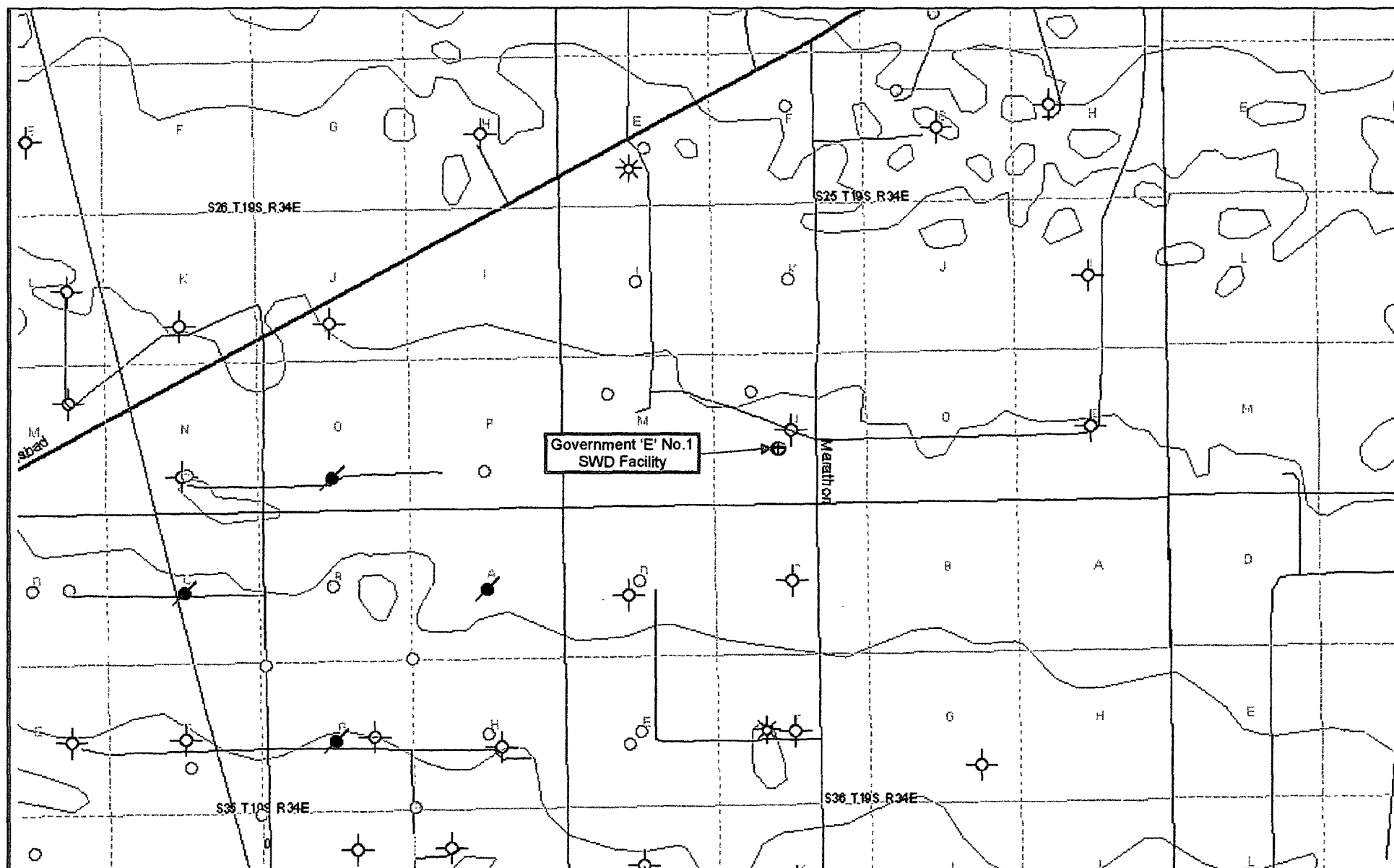
At whatever point in the future the site is to be decommissioned while still operated by Agua Sucia, LLC, a new C-144 and other required forms shall be submitted to NMOCD as well as BLM. Until that time, the operator will maintain a clean and well kept site for safe operations, protection of underground sources of drinking water and the environment, public health and esthetics.

Prepared and submitted by:

**Ben Stone, Partner
SOS Consulting, LLC
Agent for Agua Sucia, LLC**



Government 'E' No. 1 – Location Map by ULSTR



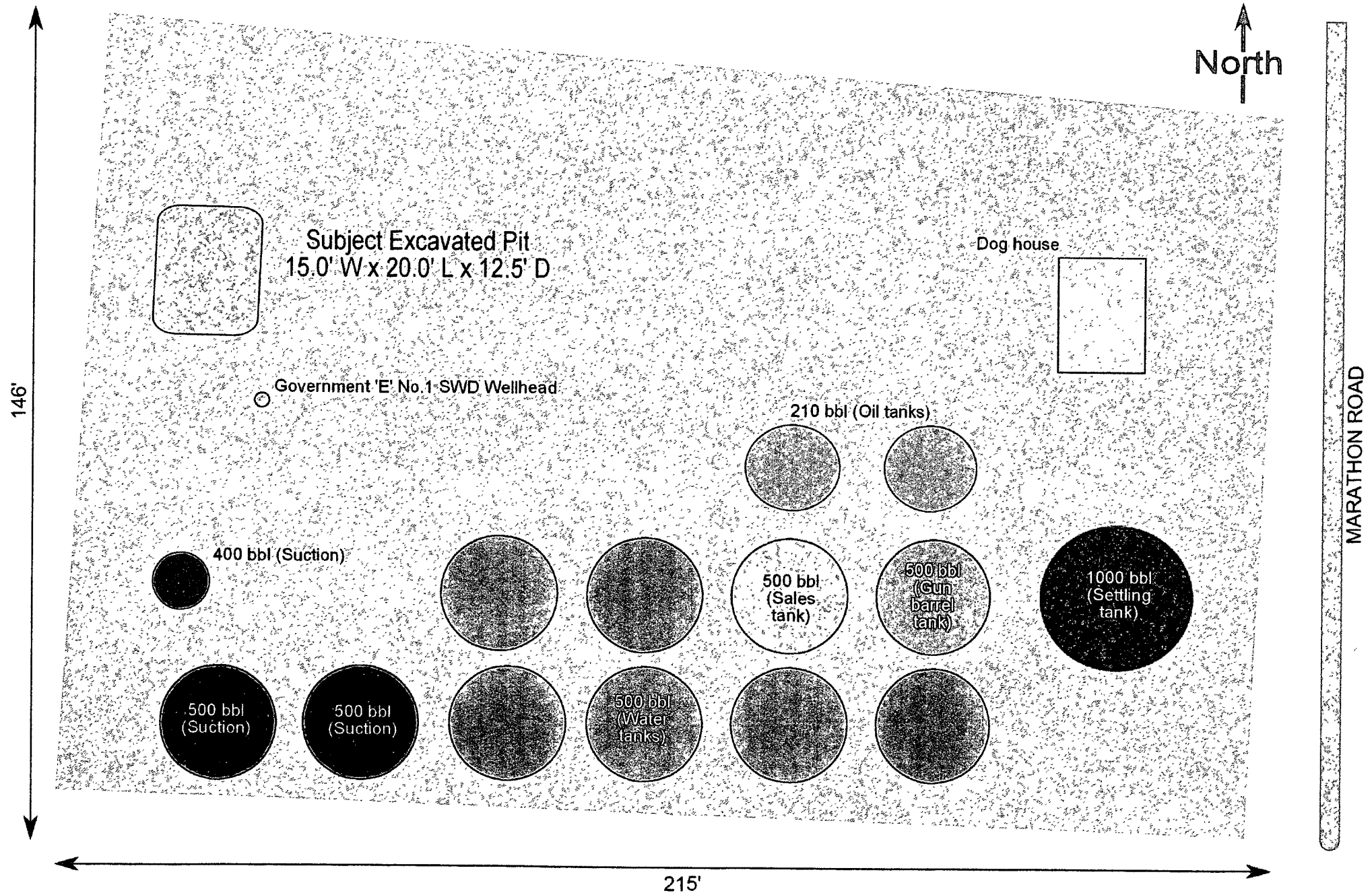
GIS Map by Sylvan Ascent
 Drawn 5/26/2009
 by Ben Stone, SOS Consulting, LLC
 For Louray Oil Company



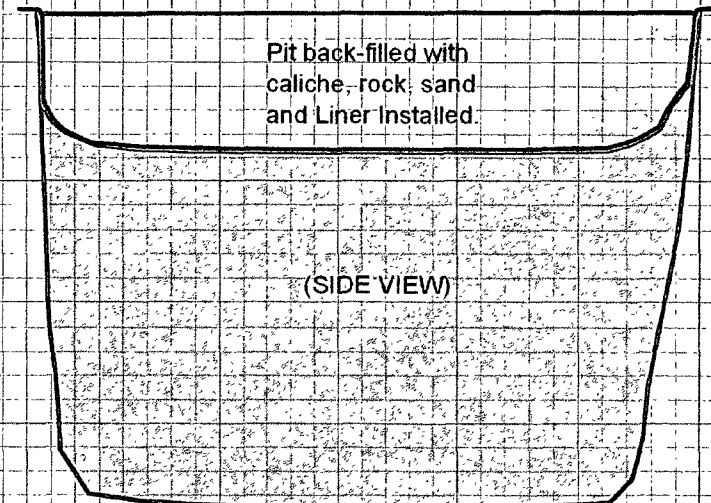
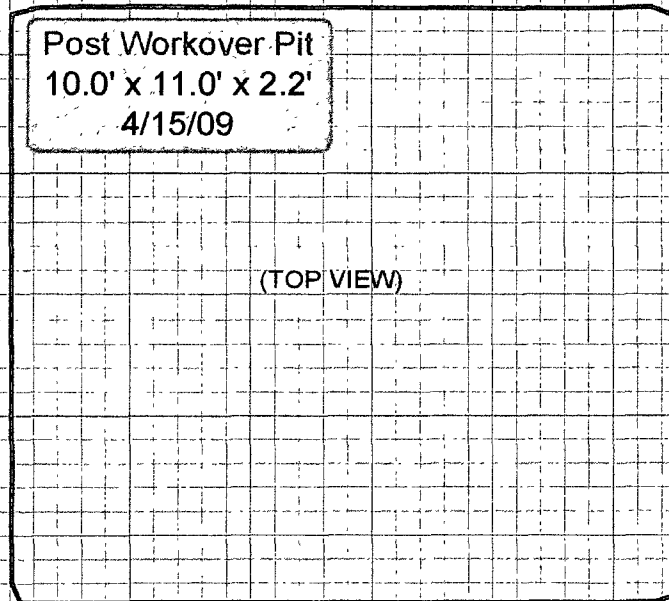
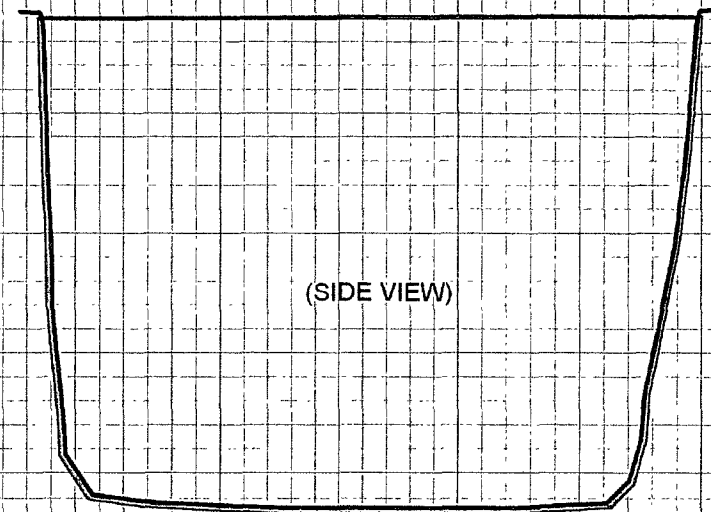
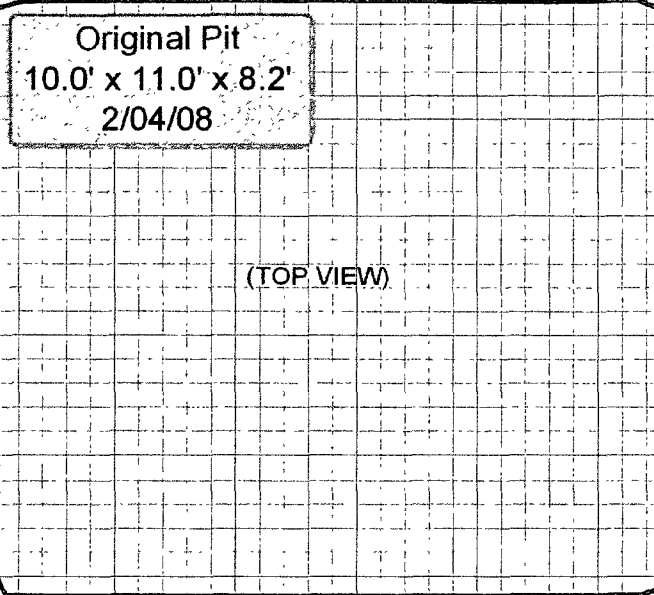
Well spots generated from
 RBDMS database with most
 current recordset provided by
 NMT Octane AllWells.mdb

Government 'E' No1 SWD Facility - C-141 Site Diagram

(Note: Outside deminisions accurate - facilities and equipment scale is approximate.)



PIT EXCAVATION SCHEMATIC



Scale Each Square = 2/10 Feet

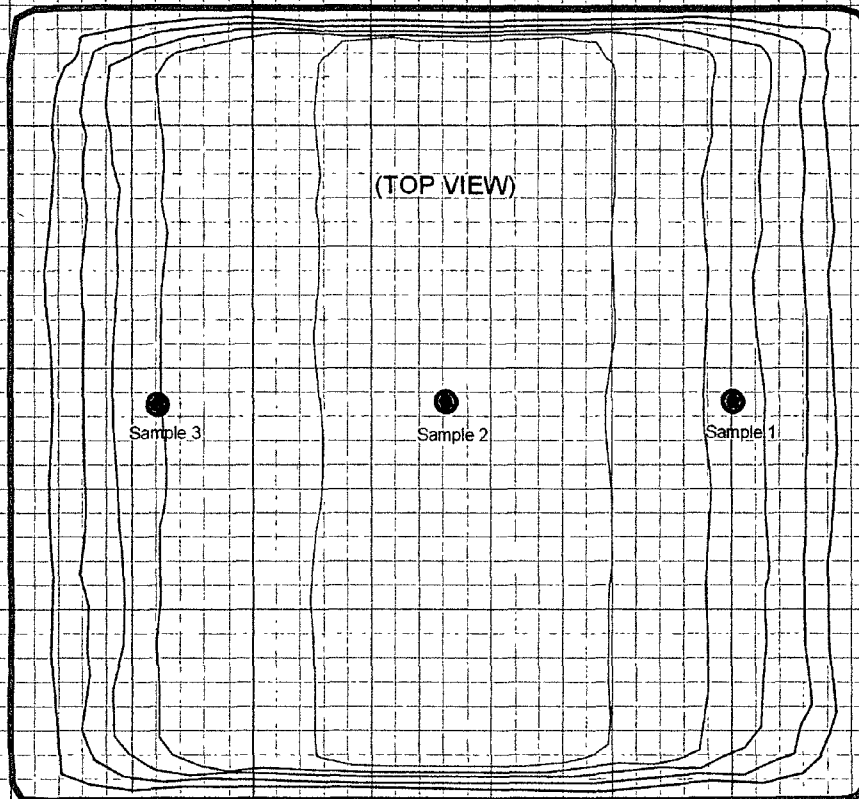
PIT EXCAVATION SCHEMATIC

PIT AFTER 1ST CLEAN OUT

6/29/00

13.55' x 14.4' x 10.9'

Excavated fill contents
and pulled soil samples



Surface Elevation

Note: Contours Are Approximate and
Apply to Bottom 2 Feet Only.

(SIDE VIEW)

The side view shows the profile of the pit, with a relatively flat top and a sloping bottom. The vertical axis represents depth, and the horizontal axis represents the width of the pit.

Scale: Each Square = 2/10 Feet
(Includes Contour Intervals)

Sample Set - H17936 (Cardinal Labs Details attached.)

Sample 1 - B/<0.050; T/<0.050; E/<0.050; X/<0.3 - GRO/<10.0; DRO/<10.0; CL/5200

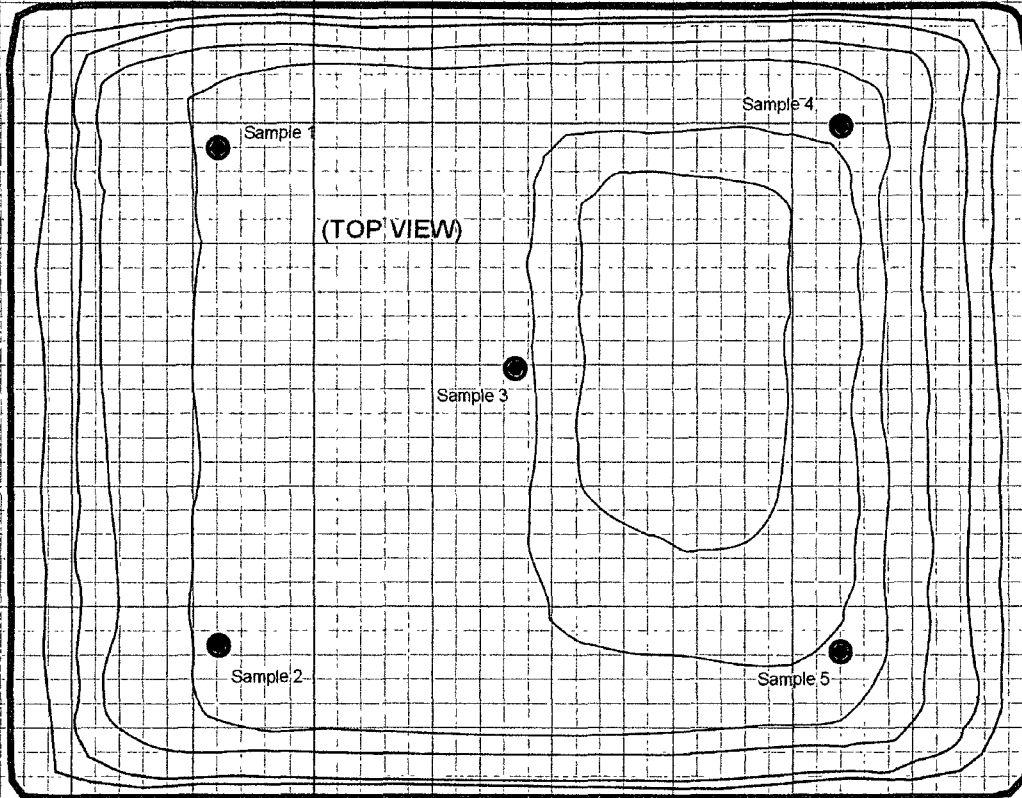
Sample 2 - B/<0.050; T/<0.050; E/<0.050; X/<0.3 - GRO/<10.0; DRO/<10.0; CL/512

Sample 3 - B/<0.050; T/<0.050; E/<0.050; X/<0.3 - GRO/<10.0; DRO/<10.0; CL/864

PIT EXCAVATION SCHEMATIC

PIT AFTER 2nd CLEAN OUT
7/26/00
14.0' x 17.0' x 12.1'

Excavated pit bottom based
on soil sample #1 results.



Surface Elevation

Note: Contours Are Approximate and
Apply to Bottom 2 Feet Only.

North →

(SIDE VIEW)

Sample Set - H18124
(Cardinal Labs Details attached.)

- Sample 1 - Chlorides 224
- Sample 2 - Chlorides 3000
- Sample 3 - Chlorides 6000
- Sample 4 - Chlorides 2800
- Sample 5 - Chlorides 464

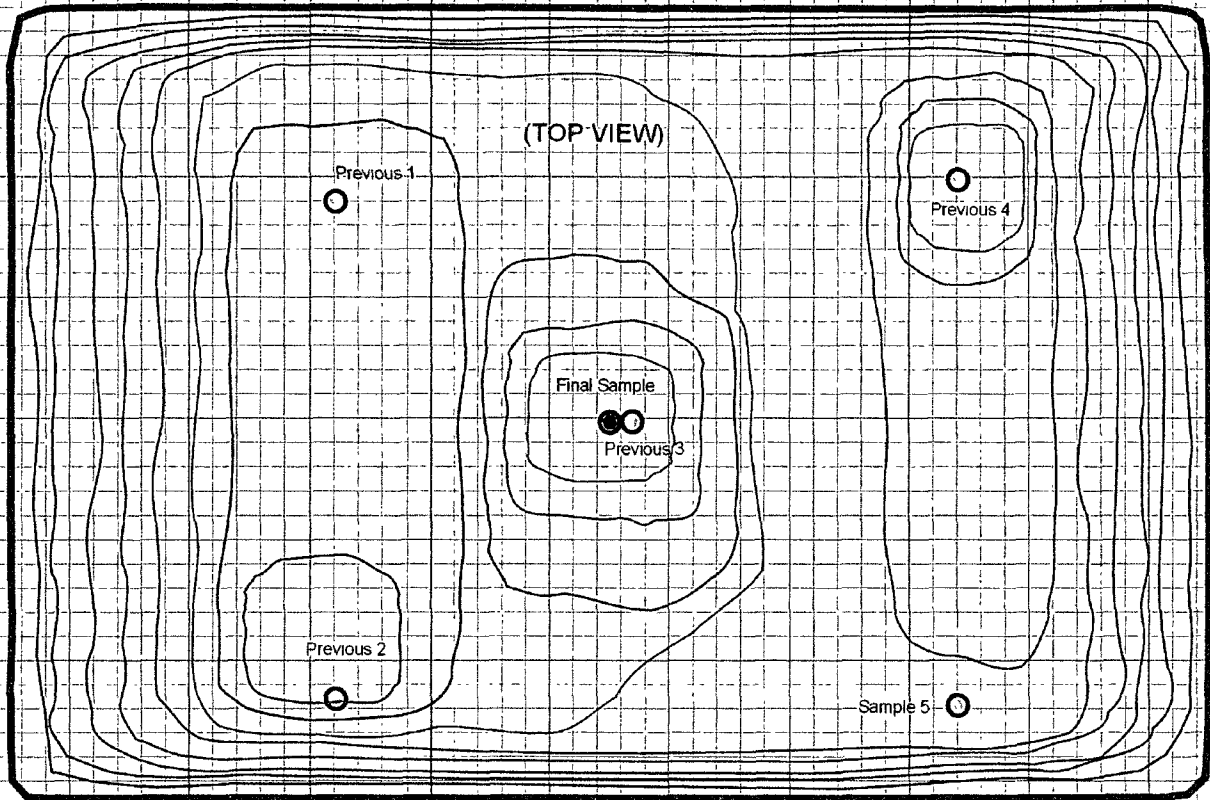
Previous extent

Scale: Each Square = 2/10 Feet
(Includes Contour Intervals)

PIT EXCAVATION SCHEMATIC

PIT AFTER 3rd CLEAN OUT
8/27/09
15.0' x 20.0' x 12.7'

Excavated pit bottom based on previous
soil samples #1, #2 and #3 results.



Surface Elevation

Note: Contours Are Approximate
and Apply to Bottom 2 Feet Only.

North →

(SIDE VIEW)

Sample Set - H18182
(Cardinal Labs Details attached.)
Final Sample - Chlorides 206

Previous extent

Scale: Each Square = 2/10 Feet
(Includes Contour Intervals)



PHONE (575) 383-2328 • 101 E. MARLAND • HUBBS, NM 88240

ANALYTICAL RESULTS FOR
 LOURAY OIL COMPANY
 P.O. BOX 2081
 LOVINGTON, NM 88260
 FAX TO: (575) 398-7207

Receiving Date: 08/06/09
 Reporting Date: 08/11/09
 Project Owner: NOT GIVEN
 Project Name: LOURAY SWD
 Project Location: MARATHON RD.

Sampling Date: 08/06/09
 Sample Type: SOIL
 Sample Condition: COOL & INTACT @ 3.5°C
 Sample Received By: ML
 Analyzed By: CK/AB/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (C ₁₀ -C ₂₈) (mg/kg)	Cl ⁻ (mg/kg)
------------	-----------	--	---	----------------------------

ANALYSIS DATE	08/07/09	08/07/09	08/07/09
H17938-1 #1	<10.0	<10.0	5,200
H17938-2 #2	<10.0	<10.0	512
H17938-3 #3	<10.0	<10.0	564
Quality Control	464	559	490
True Value QC	500	500	500
% Recovery	92.8	112	98.0
Relative Percent Difference	5.4	2.3	< 0.1

METHODS: TPH GRO & DRO: EPA 9W-846 8015 M; Cl⁻: Std. Methods 4500-Cl⁻B

*Analyses performed on 1:4 w/v aqueous extracts.

Reported on wet weight. Not accredited for GRO/DRO and Chloride.

Cheryl Kline
 Chemist

08/11/09
 Date

H17938TCL LRO

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



PHONE (575) 382-2326 • 101 E. MARLAND • HOBBS, NM 88240

**ANALYTICAL RESULTS FOR
AMERICAN SAFETY
ATTN: TERRY OBRAIO
215 W. BROADWAY
HOBBS, NM 88240**

Receiving Date: 08/28/09
Reporting Date: 08/31/09
Project Owner: AGUA SUSIA
Project Name: NOT GIVEN
Project Location: LEA COUNTY, NM

Analysis Date: 08/30/09
Sampling Date: 08/28/09
Sample Type: SOIL
Sample Condition: INTACT @ 26°C
Sample Received By: ML
Analyzed By: HM

LAB NUMBER SAMPLE ID		Cl ⁻ (mg/kg)
H18124-1	1	224
H18124-2	2	3,000
H18124-3	3	6,000
H18124-4	4	2,800
H18124-5	5	484
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods 4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Cheryl Keene
Chemist

08/31/09
Date

H18124 American Safety

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



ARDINAL LABORATORIES

PHONE (875) 383-2226 • 101 E. MARLAND • HOBBS, NM 88240

September 4, 2009

Terry O'braio
American Safety
215 West Broadway
Hobbs, NM 88240

Re: Agua Susia

Enclosed are the results of analyses for sample number H18182, received by the laboratory on 09/03/09 at 4:23 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX Accreditation applies to solid and chemical materials and non-potable water matrices

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.

LAB NUMBER SAMPLE ID	Cl ⁻ (mg/kg)
H18182-1	208
Quality Control	500
True Value QC	500
% Recovery	100
Relative Percent Difference	< 0.1

Ticket: 24447

Page 1 of 1

P.O. Box 388
Hobbs, New Mexico 88241-0388



CONTROLLED RECOVERY, INC
NMOC Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 24447

Bill To: Lou Ray	Lease: GOVERNMENT E
Company/Generator: LOU RAY	Well: 1
Company Man: Louis edgett 631-3387	Rig: na
Trucking: ALVARADO	PO: na
Date/Time: 9/2/2009 3:22:22 PM	Driver: manuel
	Vehicle: 4

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	17	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

☒ RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

☐ RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 201, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

☐ MSDS information ☐ RCRA Hazardous Waste Analysis ☐ Process Knowledge ☐ Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

Fax D

Invoice

Controlled Recovery Inc.

4507 W Carlsbad Highway
PO Box 388
Hobbs NM 88240
United States
505-393-1079

FAX
A

Date 7/30/2009
Invoice # 68470
Terms Net 30
Due Date 8/29/2009
PO #
Generator KEVIN O. BUTLER
Memo
Lease GANDHI FED
Well Fed 1
Rig
Company Man Kevin Butler

Bill To
KEVIN O. BUTLER
P.O. BOX 1171
MIDLAND TX 79702

Item	Quantity	Description	Rate	Amount	Item	Date	Trucking Company
Contaminated Soil	12		18.00	216.00	15735	7/6/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15761	7/6/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15784	7/6/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15808	7/6/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15827	7/6/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15877	7/7/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15891	7/7/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15910	7/7/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15930	7/7/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15955	7/7/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	15982	7/7/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16148	7/8/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16048	7/8/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16202	7/8/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16277	7/8/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16308	7/9/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16408	7/9/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16488	7/10/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16499	7/10/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16513	7/10/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16528	7/10/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16588	7/11/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16596	7/11/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16602	7/11/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16616	7/11/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16626	7/11/2009	ED WALTON
Contaminated Soil	12		18.00	216.00	16787	7/13/2009	ALVARADO
Contaminated Soil	12		18.00	216.00	16801	7/13/2009	ALVARADO

Subtotal 6,048.00
Tax (NM Sales Tax 5.375%) 325.08
Total \$6,373.08

VENDOR _____
ACCT. CODE _____
LEASE No. _____
AFE No. _____
SVC DATE _____
APPROVAL *[Signature]*

Hauled Contaminated
Soil per BLM-
375-396-7207

Invoice**Controlled Recovery Inc.**

4507 W Carlsbad Highway
P.O. Box 388
Hobbs NM 88240
United States
505-393-1079

Date 9/10/2009
Invoice # 67901
Terms Net 30
Due Date 10/10/2009
PO #
Generator AQUA SUCIA
Memo
Lease GOVERNMENT E
Well 1
Rig
Company Man LOUIS EDGETT

FAX D.

Bill To

AQUA SUCIA
P.O. BOX 52
LOVINGTON NM 88260

Contaminated Soil 12 18.00 216.00 24447 9/2/2009 ALVARADO

Subtotal 216.00
Tax (NM Sales Tax 5.375%) 11.61
Total \$227.61



SOS Consulting, LLC

October 30, 2009

New Mexico Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

RECEIVED
NOV 09 2009
HOBBSOCD

Attn: Mr. Geoff Leking, Environmental Engineer

*Re: C-141 submittal for Agua Sucia, LLC for pit closure on its Government 'E' Well No.1
SWD Facility located in Lea County, New Mexico.*

Dear Geoff,

Agua Sucia seeks approval for its pit remediation described herein, for the previously existing workover pit at the Government 'E' No.1 SWD Facility. All wastes have been excavated and disposed of at the CRI licensed waste disposal facility. Complete delineation of possible contaminated soil was conducted and remediation progressed commensurate with those results. Further, Agua Sucia y will continue operations at the site with appropriate housekeeping guidelines in place and will notify the NMOCD and submit complete and accurate paperwork for any events requiring such.

At whatever point in the future the site is to be decommissioned while still operated by Agua Sucia, all required forms shall be submitted to NMOCD as well as BLM. Until that time, Agua Sucia, LLC endeavors to be a good steward of the environment and neighbor to all offset operators. Efforts will be ongoing to improve the facility and the site for overall safety and quality operations to protect of underground sources of drinking water and the environment, public health and esthetics.

If there is any additional information or data that you may need, please don't hesitate to call or email.

Best regards,

Ben Stone, Partner
SOS Consulting, LLC
Agent for Agua Sucia, LLC

Cc: Application file

Leking, Geoffrey R, EMNRD

From: Ben Stone [ben@sosconsulting.us]
Sent: Monday, February 01, 2010 10:32 AM
To: Leking, Geoffrey R, EMNRD
Subject: Gov E 1 - Supplemental soil sample results, pit diagram... 30.025, 23708.00, 00
Attachments: FinalSoil_20100128 AGUA SUCIA.pdf N, 25, 198, 345

Importance: High

Hello Geoff,

Attached are the results of the sampling subsequent to your review of Agua Sucia's C-141 submitted 11/20/09 on the Government E No.1 facility pit excavation. This C-141 was sent subsequent to the approved C-144 closure plan, submitted and approved last fall. I am also sending hard copies via U.S. mail.

We excavated an additional 30+ cubic yards and nearly 2 feet of depth. I think the results are conclusive; chlorides are way, way down in all areas.

Please let me know at your earliest convenience if we may proceed with backfilling the excavation. I would appreciate it if you would also call Louis Edgett at 575-631-3387 to let him know.

Best regards,



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CARDINAL LABORATORIES

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

January 27, 2010

Louis Edgett
Agua Sucia
P.O. Box 52
Lovington, NM 88260

Re: Pit Marathon Road Disposal

Enclosed are the results of analyses for sample number H19143, received by the laboratory on 01/26/10 at 10:50 am.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director



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

ANALYTICAL RESULTS FOR
AGUA SUCIA
ATTN: LOUIS EDGETT
P.O. BOX 52
LOVINGTON, NM 88260

Receiving Date: 01/26/10
Reporting Date: 01/27/10
Project Owner: NOT GIVEN
Project Name: PIT MARATHON ROAD DISPOSAL
Project Location: LEA CO., NM


Analysis Date: 01/26/10
Sampling Date: NOT GIVEN
Sample Type: SOIL
Sample Condition: INTACT @ 16°C
Sample Received By: JH
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H19143-1	12610-001 (SOUTH)	32
H19143-2	12610-002 (MIDDLE)	< 16
H19143-3	12610-003 (NORTH)	48
Quality Control		510
True Value QC		500
% Recovery		102
Relative Percent Difference		2.0

METHOD: Standard Methods

4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.


Chemist

Date

01/27/10

H19143 Agua Sucia

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice and all costs of collections, including attorney's fees.

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

#26

PIT EXCAVATION SCHEMATIC

FOR ILLUSTRATIVE PURPOSES ONLY

PIT AFTER 4th CLEAN OUT
1/25/2010
16.5' x 25.0' x 14.5'

