

1RF – 10

Seely Recycling
Containment and Facility

Transfer of Operations
McElvain Energy, Inc. to
3 Bear Field Services

3 Bear Field Services
October 4, 2018

From: [Amy Gavin](#)
To: [Billings, Bradford, EMNRD](#)
Cc: [Marsh Lunati](#); [Scott Spicher](#)
Subject: [EXT] FW: 3Bear Financial Surety for Seely Site
Date: Thursday, October 4, 2018 10:41:44 AM
Attachments: [image001.jpg](#)
[Seely Impound Transfer of Operatorship 100318_executed.PDF](#)

Follow link to view letter.

Hi Brad,
See attached letter as requested.
For our other Water Impounds, we are reporting monthly on the C-148 using and Admin # as a reference.
For Example 1RF-24 is our # for our Libby Impound.
Can you tell me what our reference # will be for this impound and to which district we will need to file the C-148?
Thank you,

Amy Gavin,
3Bear Energy, LLC
Office: 303.862.3965

From: Marsh Lunati <JML@charterenergy.com>
Sent: Tuesday, October 2, 2018 3:38 PM
To: Amy Gavin <agavin@3bearllc.com>
Subject: Fwd: 3Bear Financial Surety for Seely Site

Marsh Lunati
CharterEnergy
O: 404-256-7900
C: 214-263-0250
Email: jml@charterenergy.com

From: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>
Sent: Tuesday, October 2, 2018 5:33:00 PM
To: Marsh Lunati
Subject: RE: 3Bear Financial Surety for Seely Site

Hi Marsh,

So the following from the legal beagles,

A letter stating that X Company, By representative X, with OGRID of X is transferring/selling whole ownership of XXXXX TO Company Y with Company Y Rep signature
And OGRID number YYYYYYY . New owner's must state that they will abide by all rules and regulations pertaining to and operating and closure etc. And so attest by signing. Once I get this I can have Denise apply the bonding, which we have I think. Thanks for your patience. Was trying to get something without a lot of mumbo jumbo.

Brad Billings

From: Marsh Lunati <JML@charterenergy.com>
Sent: Wednesday, September 26, 2018 2:11 PM
To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>
Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>
Subject: [EXT] RE: 3Bear Financial Surety for Seely Site

Brad,

Any updated on what is needed from 3Bear?

Avoiding the C-147 would be preferable

Marsh

Marsh Lunati
O: 404-256-7900
C: 214-263-0250
E: jml@charterenergy.com

From: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>
Sent: Tuesday, September 25, 2018 11:31 AM
To: Marsh Lunati <JML@charterenergy.com>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>
Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>
Subject: RE: 3Bear Financial Surety for Seely Site

Hi,

Well, as this has never come up before, a good question. We may modify a, what is known as, Change of Operator form. Got to get clearance on this but be back with you soon. We are in hopes that a full C-147 is not needed.

Thanks

Bradford

From: Marsh Lunati <JML@charterenergy.com>
Sent: Tuesday, September 25, 2018 9:13 AM
To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>

Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>

Subject: RE: 3Bear Financial Surety for Seely Site

Thanks.

After we get the Bond in place do we need to submit a new C-147 filed along with that?

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>

Sent: Tuesday, September 25, 2018 11:00 AM

To: Marsh Lunati <JML@charterenergy.com>; Gallegos, Denise, EMNRD
<Denise.Gallegos@state.nm.us>

Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>

Subject: RE: 3Bear Financial Surety for Seely Site

9/25/2018

Hello,

The cost estimate as presented for the Seely containment is satisfactory. Thank you for indicating in previous e-mail that Envirotech Engineering & Consulting, Inc. accommodated the cost estimate for closure to drive the bonding amount. Please keep this communication for your records. I have been in contact with Denise on the bonding amount and let her know it is sufficient to the needs.

Please make sure the location of the new form for Seely location is accurate. It would be helpful to the OCD if the "name" for the facility and latitude and longitude were included in communications on the bonding form you will be submitting.

Thank you for your efforts.

Sincerely,

Bradford Billings
EMNRD/OCD
Santa Fe

From: Marsh Lunati <JML@charterenergy.com>
Sent: Tuesday, September 25, 2018 8:48 AM
To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>
Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>
Subject: RE: 3Bear Financial Surety for Seely Site

Brad,

Talked to Denise. We are good on the bond form.

Just need confirm from you on the FV per the attached XLS

Thanks

Marsh

Marsh Lunati
O: 404-256-7900
C: 214-263-0250
E: jml@charterenergy.com

From: Marsh Lunati
Sent: Monday, September 24, 2018 4:45 PM
To: 'Billings, Bradford, EMNRD' <Bradford.Billings@state.nm.us>; 'Gallegos, Denise, EMNRD' <Denise.Gallegos@state.nm.us>
Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>
Subject: RE: 3Bear Financial Surety for Seely Site

Brad,

The attached estimate was completed by [Envirotech Engineering & Consulting, Inc](#)

See email below in orange text.

Can you confirm the amount is ok and I will get Denise a draft bond.

Envirotech Engineering & Consulting, Inc

*Amy Gavin,
3Bear Energy, LLC
Office: 303.862.3965*

From: Marsh Lunati <JML@charterenergy.com>

Sent: Monday, September 24, 2018 2:29 PM

To: Amy Gavin <agavin@3bearllc.com>; Janet Bradley <jbradley@charterenergy.com>

Subject: RE: water Impound

Amy

Talked to Brad this afternoon.

Can you provide the name of the third party firm that generated this estimate?

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Amy Gavin <agavin@3bearllc.com>

Sent: Friday, September 21, 2018 11:31 AM

To: Marsh Lunati <JML@charterenergy.com>; Janet Bradley <jbradley@charterenergy.com>

Subject: FW: water Impound

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Marsh Lunati

Sent: Monday, September 24, 2018 4:29 PM

To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>

Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>

Subject: RE: 3Bear Financial Surety for Seely Site

Brad

Thanks for the call back. We will work with 3Bear on getting the name of the firm that generated the report.

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Marsh Lunati

Sent: Monday, September 24, 2018 4:08 PM

To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Gallegos, Denise, EMNRD <Denise.Gallegos@state.nm.us>

Cc: Jack Grovenstein <JGrovenstein@charterenergy.com>

Subject: FW: 3Bear Financial Surety for Seely Site

Brad,

Just left you a voicemail about some additional 3Bear surety for a site they now own that was previously operated by another Operator of Record.

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Marsh Lunati

Sent: Monday, September 24, 2018 3:00 PM

To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>

Subject: FW: 3Bear Financial Surety for Seely Site

Brad

Can we have quick call today to confirm the attached?

Marsh

Marsh Lunati

O: 404-256-7900

C: 214-263-0250

E: jml@charterenergy.com

From: Marsh Lunati

Sent: Friday, September 21, 2018 5:18 PM

To: Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; Marks, Allison, EMNRD <AllisonR.Marks@state.nm.us>

Cc: Janet Bradley <jbradley@charterenergy.com>

Subject: 3Bear Financial Surety for Seely Site

Brad / Allison,

3Bear has acquired the Seely Containment and Recycling Facility from McElvain Energy Inc.

We need to confirm the following:

1. Same bond form we have used for other 3bear facilities (attached the most recent Cottonwood as an example)
2. We will update per attachment 1 info
3. Attached closure costs estimates. This will be the face value of the new bond.

Marsh

Marsh Lunati | CFA

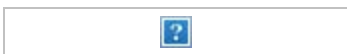
CharterEnergy

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jml@charterenergy.com



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From: [Marsh Lunati](#)
To: [Billings, Bradford, EMNRD](#); [Marks, Allison, EMNRD](#)
Cc: [Janet Bradley](#)
Subject: 3Bear Financial Surety for Seely Site
Date: Friday, September 21, 2018 3:17:42 PM
Attachments: [image003.jpg](#)
[Seely RC ApprovedC-147 - 2016-11-10.pdf](#)
[Seely Containment Closure Cost.xlsx](#)

Follow links to view attachments.

Brad / Allison,

3Bear has acquired the Seely Containment and Recycling Facility from McElvain Energy Inc.

We need to confirm the following:

1. Same bond form we have used for other 3bear facilities (attached the most recent Cottonwood as an example)
2. We will update per attachment 1 info
3. Attached closure costs estimates. This will be the face value of the new bond.

Marsh

Marsh Lunati | CFA

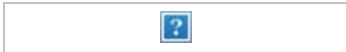
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