



December 5, 2016

#5B25501-BG1

NMOCD D2
Mike Bratcher
811 S First St.
Artesia, NM 88210

SUBJECT: FINAL CLOSURE REPORT FOR INCIDENT 2RP-3917-0, WELCH WESTERN #002,
Unit I Section 9-T18S-R28E NMPM, API# 30-015-02674, EDDY COUNTY, NEW MEXICO

Dear Mr. Keyes:

On behalf of Judah Oil, LLC. (Judah), Souder Miller & Associates is pleased to submit a Final Closure Report for the remediation of the release site located at the Welch Western # 2 in Eddy County, New Mexico. The purpose of the Final Report is to obtain approval from the New Mexico Oil Conservation Division (NMOCD) for the closure of the release that occurred on private property on July 4, 2014.

Souder, Miller & Associates (SMA) responded at the request of Judah to assess and delineate the release of crude oil associated with the Welch Western # 2 well location. The release was initially reported to NMOCD by Judah on July 4, 2014 and was a result of a production tank failure. The table below summarizes information regarding the release.

Table 1: Release information and Site Ranking					
Name	Welch Western #2				
Location	Incident Number	API Number	Section, Township, Range		
		2RP-3917-0	30-015-02674	NE/SE (Unit I)	Section 9
Estimated Date of Release	July 4, 2014				
Date Reported to NMOCD	July 4, 2014				
Reported by	Judah Oil, LLC				
Land Owner	State of NM				
Reported To	NM Oil Conservation Division (NMOCD)				
Source of Release	Production Tank				
Released Material	Crude Oil				
Released Volume	160 bbls Crude Oil				
Recovered Volume	30 bbls Crude Oil				
Net Release	160 bbls Crude Oil				
Nearest Surface Water	8.9 Miles East of the location				

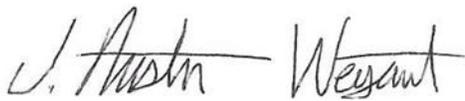


Depth to Groundwater	Estimated Average to be 112 Feet
Nearest Domestic Water Source	Greater than 1,000 feet
NMOCD Ranking	0
SMA Response Dates	Initial: 7/4/14 Mitigation Activities: 11/3/16
Subcontractors	Nunez Backhoe Service
Disposal Facility	Lea Land, LLC
Estimated Yd ³ Contaminated Soil Excavated and Disposed	220

Attached is a copy of the C-141 final located in Appendix B. For questions or comments pertaining to the release or the attached Closure Report please feel free to contact either of us.

Submitted by:

SOUDER, MILLER & ASSOCIATES



Austin Weyant
Project Scientist

Reviewed by:



Cynthia Gray, CHMM
Senior Scientist

SOIL REMEDIATION FINAL CLOSURE FOR INCIDENT 2RP-3917-0

JUDAH OIL, LLC.

WELCH WESTERN #2

UL I, SECTION 9, T18S R28E, NMPM

API #30-015-02674

EDDY COUNTY, NM



Prepared for:
Judah Oil, LLC.
611 W. Mahone Drive #D
Artesia, NM 88210

Prepared by:
Souder, Miller & Associates
201 S. Halagueno
Carlsbad, NM 88221
575-689-7040

December 5, 2016
SMA Reference
5B25501 BG1

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Table 1: Release Information and Site Ranking

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1.0 Introduction

On behalf of Judah Oil, LLC, Souder, Miller & Associates (SMA) has prepared this report that describes the assessment, initial delineation by Judah, and subsequent mitigation of a release associated with the Welch Western # 2 location API# 30-015-02674. The site is located in Section 9, Township 18S, Range 28E NMPM, Eddy County, New Mexico, on State of New Mexico land administered by the NMOCD. Figure 1 illustrates the vicinity and location of the site. Judah Oil, LLC. tasked SMA to resample and assess the release location.

2.0 Site Ranking and Land Jurisdiction

The release site is located approximately 8.3 miles east of the Pecos River, with an elevation of approximately 3,620 feet above sea level. After evaluation of the site using aerial photography and topographic maps, depth to groundwater is estimated to be 112 feet below ground surface (bgs).

SMA searched the New Mexico State Engineer's Office online water well database for water wells in the vicinity of the release. One well is located within a one mile radius of the site. Figure 1 depicts the site vicinity and Figure 2 shows the site itself. The physical location of this release is within the jurisdiction of NMOCD.

Based on the NMOCD Guidelines Ranking Criteria, this release location has been assigned a NMOCD ranking of 0 which requires a soil remediation standard of 10 parts per million (ppm) benzene, 50 ppm combined benzene, toluene, ethyl-benzene, and total xylenes (BTEX), and 5000 ppm total petroleum hydrocarbons (TPH). Table 1 illustrates site ranking rationale.

3.0 Assessment and Initial Results

An initial assessment and work plan was submitted to NMOCD on July 31, 2014. During the initial site work, spill pile samples were collected. Those samples were below NMOCD standards for BTEX, Benzene, and Chlorides.

4.0 Soil Remediation Summary

During the initial site work, approximately 220 cubic yards of crude oil contaminated soil was removed. Per the work plan submitted July 31, 2014 the spill pile received in-situ remediation efforts.

5.0 Conclusions and Recommendations

NMOCD Guidelines for Remediation of Leaks, Spills, and Releases have established the following action levels for contaminants of concern with a site ranking of 0: 10 ppm (mg/kg) Benzene, 50 ppm total BTEX, and 5000 ppm TPH.

Laboratory analytical results for all final closure samples collected were below NMOCD closure standards for TPH as well as below laboratory detection limits for BTEX and Benzene for the methods used. No further remedial activities are recommended. Soil sample locations are illustrated in Figure 2. A summary of laboratory analytical results is included in Table 2. Laboratory reports are included in Appendix C.

Photo documentation is available by request.

6.0 Closure and Limitations

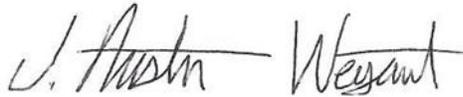
The scope of our services consisted of the performance of confirmatory spill and spill mitigation assessment sampling, verification of release stabilization, regulatory liaison, and preparation of this Closure Report. All work has been performed in accordance with generally accepted professional environmental consulting practices for oil and gas releases in the Permian Basin in New Mexico.

If there are any questions regarding this report, please contact either Austin Weyant at 575-689-7040 or Cindy Gray at 505-325-7535.

Submitted by:

Reviewed by:

SOUDER, MILLER & ASSOCIATES



Austin Weyant
Project Scientist



Cynthia Gray, CHMM
Senior Scientist

Figures:

Figure 1: Vicinity Map

Figure 2: Detailed Site and Sample Map

Tables:

Table 1: Release Information and Site Ranking

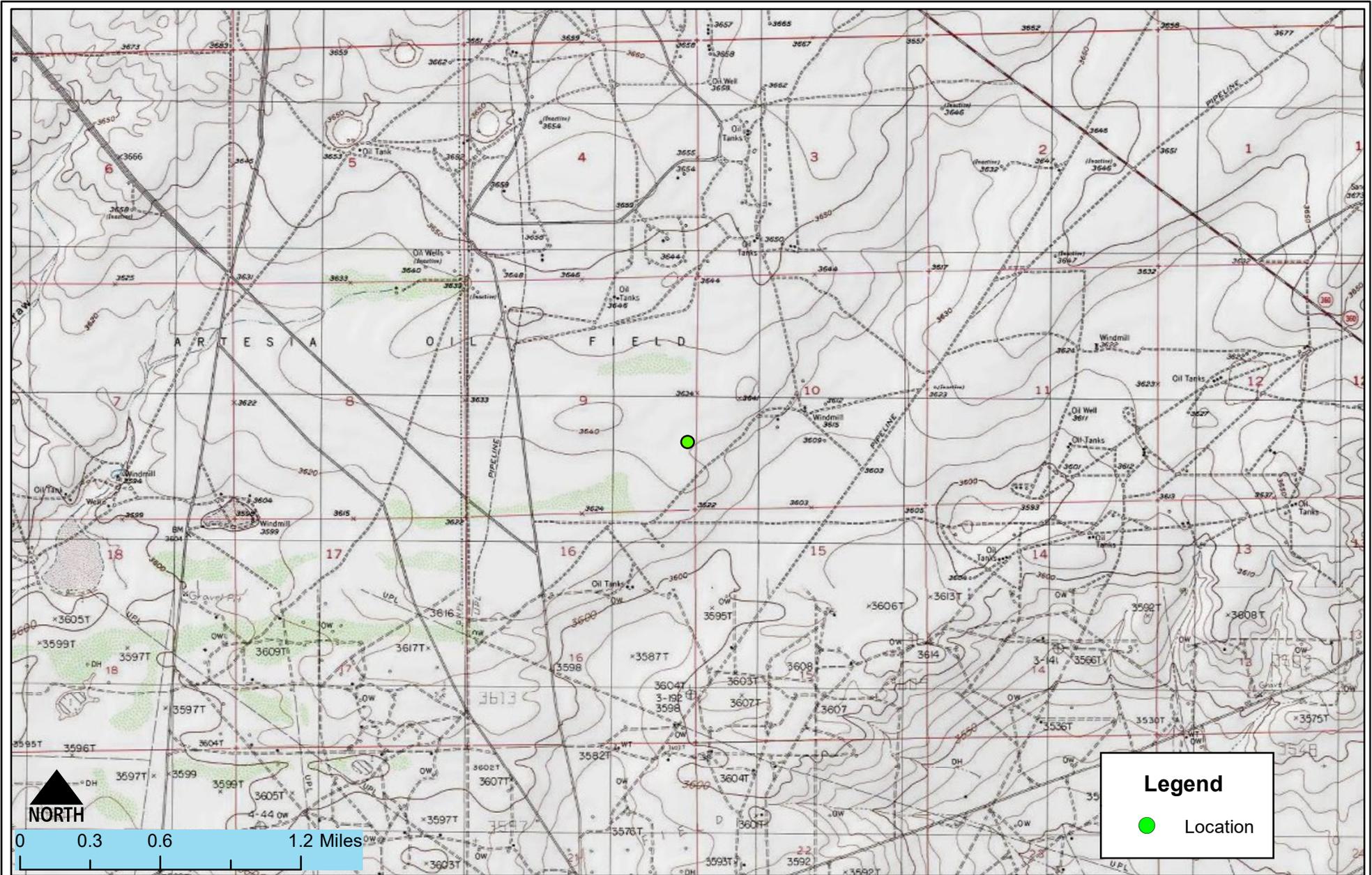
Table 2: Summary of Laboratory Analyses

Appendices:

Appendix A: Laboratory Analytical Reports

Appendix B: Form C141 Final

FIGURE 1 VICINITY MAP



Detailed Site and Sample Map
 Welch Western #2 Judah Oil, LLC
 S9,T18S, 28E Oil City, New Mexico

Figure 1

Date Saved: 12/5/2016	By: _____	Date: _____	Descr: _____
	By: _____	Date: _____	Descr: _____
Copyright 2015 Souder, Miller & Associates - All Rights Reserved			

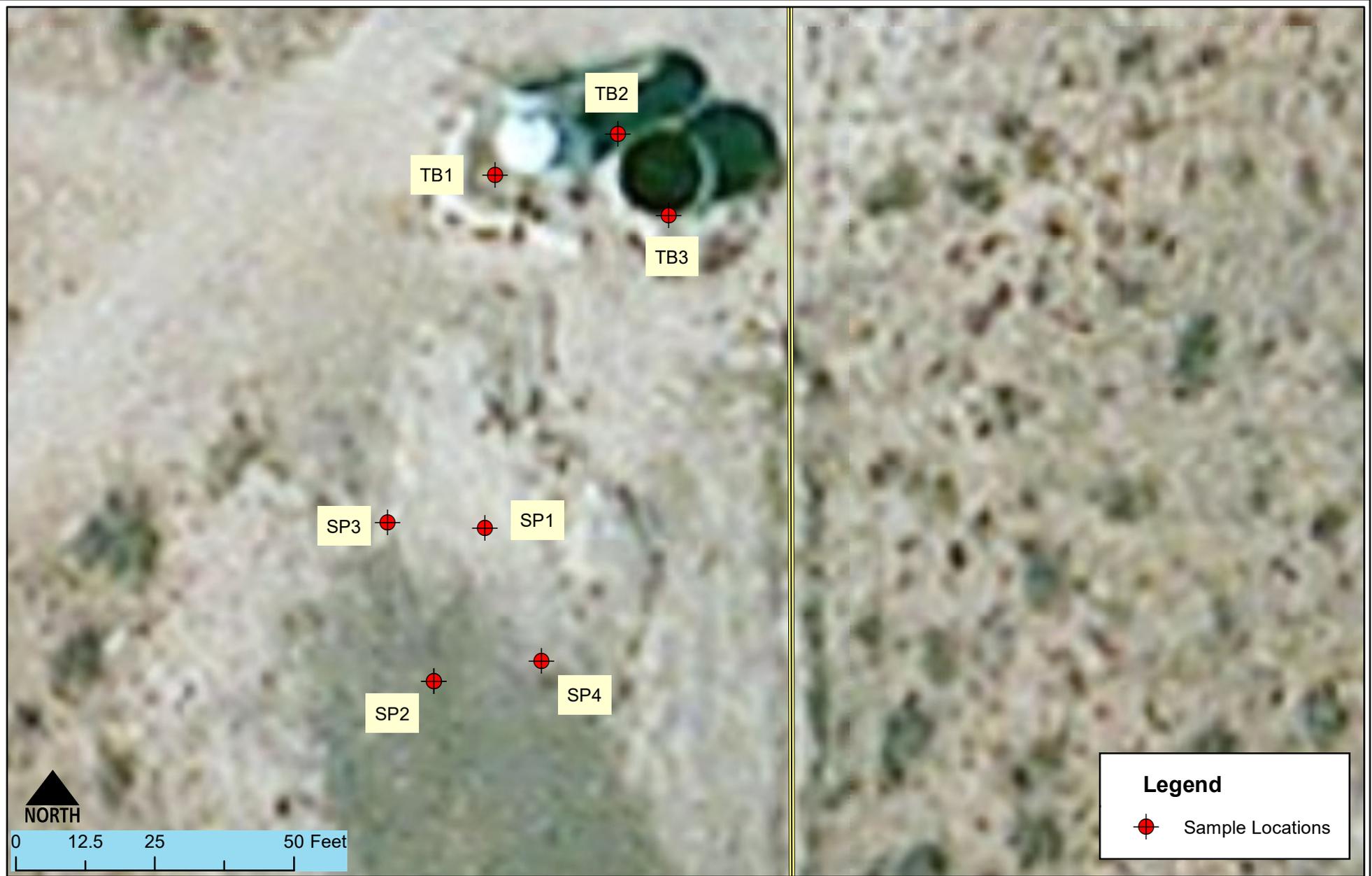
Drawn	_____	Curtis Pattillo
Checked	_____	
Approved	_____	



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FIGURE 2

DETAILED SITE AND SAMPLE MAP



Detailed Site and Sample Map
 Welch Western #2 Judah Oil, LLC.
 Eddy County, New Mexico

Figure 2

Date Saved:
 1/23/2017

Revisions		By:	Date:	Descr:

Copyright 2015 Souder, Miller & Associates - All Rights Reserved

Drawn	<u>Curtis Pattillo</u>
Checked	_____
Approved	_____



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TABLE 1

RELEASE INFORMATION AND SITE RANKING

Table 1: Release information and Site Ranking					
Name	Welch Western #2				
Location	Incident Number	API Number	Section, Township, Range		
		1RP-09-7-2230	30-015-02674	NE/SE (Unit I)	Section 18S
Estimated Date of Release	July 3, 2014				
Date Reported to NMOCD	July 4, 2014				
Reported by	Judah Oil, LLC.				
Land Owner	Private				
Reported To	NM Oil Conservation Division (NMOCD)				
Source of Release	Production Tank Corrosion				
Released Material	Crude Oil				
Released Volume	160 bbls Crude Oil				
Recovered Volume	30 bbls Crude Oil				
Net Release	160 bbls Crude Oil				
Nearest Surface Water	8.3 Miles West of the location				
Depth to Groundwater	Estimated to be 112				
Nearest Domestic Water Source	Greater than 1,000 feet				
NMOCD Ranking	0				
SMA Response Dates	Initial: 7/4/14 Mitigation Activities: 11/3/16				
Subcontractors	Nunez Backhoe Service				
Disposal Facility	Lea Land				
Estimated Yd ³ Contaminated Soil Excavated and Disposed	22				

TABLE 2

SUMMARY OF LABORATORY ANALYSES

Table 2: Summary of Laboratory Analyses Welch Western #2

Analytical Report-1606F36	Sample Number on Figure 2 Map	Sample Date	Depth	BTEX ppm	Benzene mg/Kg	GRO mg/Kg	DRO mg/Kg	TPH mg/Kg
1611409-001	SP1	11/3/2016	0-6"	N/A	N/A	6.1	1300	1306.1
1611409-002	SP4	11/3/2016	0-6"	N/A	N/A	BDL	260	260
1611409-003	TB1	11/3/2016	0-6"	N/A	N/A	BDL	290	290
1611409-004	TB2	11/3/2016	0-6"	N/A	N/A	BDL	150	150
1611409-005	SP2	11/3/2016	0-6"	N/A	N/A	BDL	430	430
1611409-006	TB3	11/3/2016	0-6"	N/A	N/A	BDL	690	690
1611409-007	SP3	11/3/2016	0-6"	N/A	N/A	BDL	2700	2700

APPENDIX A

LABORATORY ANALYTICAL

REPORTS



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: www.hallenvironmental.com

November 14, 2016

Austin Weyant
Souder, Miller & Associates
201 S Halagueno
Carlsbad, NM 88221
TEL: (575) 689-7040
FAX

RE: Western Welch 2

OrderNo.: 1611409

Dear Austin Weyant:

Hall Environmental Analysis Laboratory received 7 sample(s) on 11/8/2016 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. In order to properly interpret your results it is imperative that you review this report in its entirety. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. When necessary, data qualifiers are provided on both the sample analysis report and the QC summary report, both sections should be reviewed. All samples are reported, as received, unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please don't hesitate to contact HEAL for any additional information or clarifications.

ADHS Cert #AZ0682 -- NMED-DWB Cert #NM9425 -- NMED-Micro Cert #NM0190

Sincerely,

A handwritten signature in black ink, appearing to read 'Andy Freeman', is written over a white background.

Andy Freeman
Laboratory Manager
4901 Hawkins NE
Albuquerque, NM 87109

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: SP1

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-001

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	1300	98		mg/Kg	10	11/11/2016 3:32:29 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 3:32:29 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	6.1	4.8		mg/Kg	1	11/10/2016 7:36:11 PM	28565
Surr: BFB	118	68.3-144		%Rec	1	11/10/2016 7:36:11 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	*	Value exceeds Maximum Contaminant Level.	B	Analyte detected in the associated Method Blank
	D	Sample Diluted Due to Matrix	E	Value above quantitation range
	H	Holding times for preparation or analysis exceeded	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit	P	Sample pH Not In Range
	R	RPD outside accepted recovery limits	RL	Reporting Detection Limit
	S	% Recovery outside of range due to dilution or matrix	W	Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: SP4

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-002

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	260	98		mg/Kg	10	11/11/2016 3:54:09 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 3:54:09 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.7		mg/Kg	1	11/10/2016 8:46:43 PM	28565
Surr: BFB	83.7	68.3-144		%Rec	1	11/10/2016 8:46:43 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	*	Value exceeds Maximum Contaminant Level.	B	Analyte detected in the associated Method Blank
	D	Sample Diluted Due to Matrix	E	Value above quantitation range
	H	Holding times for preparation or analysis exceeded	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit	P	Sample pH Not In Range
	R	RPD outside accepted recovery limits	RL	Reporting Detection Limit
	S	% Recovery outside of range due to dilution or matrix	W	Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: TB1

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-003

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	290	97		mg/Kg	10	11/11/2016 4:15:56 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 4:15:56 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.7		mg/Kg	1	11/10/2016 9:10:15 PM	28565
Surr: BFB	84.9	68.3-144		%Rec	1	11/10/2016 9:10:15 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
	D Sample Diluted Due to Matrix	E Value above quantitation range
	H Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
	ND Not Detected at the Reporting Limit	P Sample pH Not In Range
	R RPD outside accepted recovery limits	RL Reporting Detection Limit
	S % Recovery outside of range due to dilution or matrix	W Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: TB2

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-004

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	150	99		mg/Kg	10	11/11/2016 3:49:34 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 3:49:34 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.7		mg/Kg	1	11/10/2016 9:33:47 PM	28565
Surr: BFB	85.2	68.3-144		%Rec	1	11/10/2016 9:33:47 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
	D Sample Diluted Due to Matrix	E Value above quantitation range
	H Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
	ND Not Detected at the Reporting Limit	P Sample pH Not In Range
	R RPD outside accepted recovery limits	RL Reporting Detection Limit
	S % Recovery outside of range due to dilution or matrix	W Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: SP2

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-005

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	430	98		mg/Kg	10	11/11/2016 4:12:26 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 4:12:26 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.9		mg/Kg	1	11/10/2016 9:57:14 PM	28565
Surr: BFB	83.3	68.3-144		%Rec	1	11/10/2016 9:57:14 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	*	Value exceeds Maximum Contaminant Level.	B	Analyte detected in the associated Method Blank
	D	Sample Diluted Due to Matrix	E	Value above quantitation range
	H	Holding times for preparation or analysis exceeded	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit	P	Sample pH Not In Range
	R	RPD outside accepted recovery limits	RL	Reporting Detection Limit
	S	% Recovery outside of range due to dilution or matrix	W	Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: TB3

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-006

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	690	94		mg/Kg	10	11/11/2016 4:03:18 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 4:03:18 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	11/10/2016 10:20:51 PM	28565
Surr: BFB	83.6	68.3-144		%Rec	1	11/10/2016 10:20:51 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:		
*	Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
D	Sample Diluted Due to Matrix	E Value above quantitation range
H	Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
ND	Not Detected at the Reporting Limit	P Sample pH Not In Range
R	RPD outside accepted recovery limits	RL Reporting Detection Limit
S	% Recovery outside of range due to dilution or matrix	W Sample container temperature is out of limit as specified

Hall Environmental Analysis Laboratory, Inc.

Analytical Report

Lab Order 1611409

Date Reported: 11/14/2016

CLIENT: Souder, Miller & Associates

Client Sample ID: SP3

Project: Western Welch 2

Collection Date: 11/3/2016 9:00:00 AM

Lab ID: 1611409-007

Matrix: SOIL

Received Date: 11/8/2016 10:10:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	2700	96		mg/Kg	10	11/11/2016 3:36:06 PM	28604
Surr: DNOP	0	70-130	S	%Rec	10	11/11/2016 3:36:06 PM	28604
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.8		mg/Kg	1	11/10/2016 10:44:18 PM	28565
Surr: BFB	86.6	68.3-144		%Rec	1	11/10/2016 10:44:18 PM	28565

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	*	Value exceeds Maximum Contaminant Level.	B	Analyte detected in the associated Method Blank
	D	Sample Diluted Due to Matrix	E	Value above quantitation range
	H	Holding times for preparation or analysis exceeded	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit	P	Sample pH Not In Range
	R	RPD outside accepted recovery limits	RL	Reporting Detection Limit
	S	% Recovery outside of range due to dilution or matrix	W	Sample container temperature is out of limit as specified

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1611409

14-Nov-16

Client: Souder, Miller & Associates

Project: Western Welch 2

Sample ID LCS-28604	SampType: LCS		TestCode: EPA Method 8015M/D: Diesel Range Organics							
Client ID: LCSS	Batch ID: 28604		RunNo: 38641							
Prep Date: 11/10/2016	Analysis Date: 11/11/2016		SeqNo: 1207021		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	44	10	50.00	0	87.5	62.6	124			
Surr: DNOP	4.4		5.000		88.8	70	130			

Sample ID MB-28604	SampType: MBLK		TestCode: EPA Method 8015M/D: Diesel Range Organics							
Client ID: PBS	Batch ID: 28604		RunNo: 38641							
Prep Date: 11/10/2016	Analysis Date: 11/11/2016		SeqNo: 1207022		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Surr: DNOP	9.3		10.00		93.2	70	130			

Qualifiers:

- | | |
|---|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| R RPD outside accepted recovery limits | RL Reporting Detection Limit |
| S % Recovery outside of range due to dilution or matrix | W Sample container temperature is out of limit as specified |

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1611409

14-Nov-16

Client: Souder, Miller & Associates

Project: Western Welch 2

Sample ID MB-28565	SampType: MBLK		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: PBS	Batch ID: 28565		RunNo: 38598							
Prep Date: 11/9/2016	Analysis Date: 11/10/2016		SeqNo: 1206108		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	850		1000		84.9	68.3	144			

Sample ID LCS-28565	SampType: LCS		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: LCSS	Batch ID: 28565		RunNo: 38598							
Prep Date: 11/9/2016	Analysis Date: 11/10/2016		SeqNo: 1206109		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	24	5.0	25.00	0	96.5	74.6	123			
Surr: BFB	910		1000		91.0	68.3	144			

Sample ID 1611409-001AMS	SampType: MS		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: SP1	Batch ID: 28565		RunNo: 38598							
Prep Date: 11/9/2016	Analysis Date: 11/10/2016		SeqNo: 1206111		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	32	4.9	24.53	6.063	106	61.3	150			
Surr: BFB	1200		981.4		122	68.3	144			

Sample ID 1611409-001AMSD	SampType: MSD		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: SP1	Batch ID: 28565		RunNo: 38598							
Prep Date: 11/9/2016	Analysis Date: 11/10/2016		SeqNo: 1206112		Units: mg/Kg					
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	28	4.9	24.37	6.063	88.6	61.3	150	14.5	20	
Surr: BFB	1200		974.7		124	68.3	144	0	0	

Qualifiers:

- | | |
|---|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| R RPD outside accepted recovery limits | RL Reporting Detection Limit |
| S % Recovery outside of range due to dilution or matrix | W Sample container temperature is out of limit as specified |

Sample Log-In Check List

Client Name: SMA-CARLSBAD

Work Order Number: 1611409

RcptNo: 1

Received by/date: LC 11/08/16

Logged By: **Lindsay Mangin** 11/8/2016 10:10:00 AM *Lindsay Mangin*

Completed By: **Lindsay Mangin** 11/8/2016 2:58:32 PM *Lindsay Mangin*

Reviewed By: LS 11/08/16

Chain of Custody

- 1. Custody seals intact on sample bottles? Yes No Not Present
- 2. Is Chain of Custody complete? Yes No Not Present
- 3. How was the sample delivered? Courier

Log In

- 4. Was an attempt made to cool the samples? Yes No NA
- 5. Were all samples received at a temperature of >0° C to 6.0°C Yes No NA
- 6. Sample(s) in proper container(s)? Yes No
- 7. Sufficient sample volume for indicated test(s)? Yes No
- 8. Are samples (except VOA and ONG) properly preserved? Yes No
- 9. Was preservative added to bottles? Yes No NA
- 10. VOA vials have zero headspace? Yes No No VOA Vials
- 11. Were any sample containers received broken? Yes No
- 12. Does paperwork match bottle labels?
(Note discrepancies on chain of custody) Yes No
- 13. Are matrices correctly identified on Chain of Custody? Yes No
- 14. Is it clear what analyses were requested? Yes No
- 15. Were all holding times able to be met?
(If no, notify customer for authorization.) Yes No

of preserved bottles checked _____
 for pH: _____
 (<2 or >12 unless noted)
 Adjusted? _____
 Checked by: _____

Special Handling (if applicable)

- 16. Was client notified of all discrepancies with this order? Yes No NA

Person Notified: _____ Date: _____
 By Whom: _____ Via: eMail Phone Fax In Person
 Regarding: _____
 Client Instructions: _____

17. Additional remarks:

18. Cooler Information

Cooler No	Temp °C	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	3.8	Good	Yes			

APPENDIX B

FORM C141 FINAL

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Judah Oil LLC	Contact	James B Campanella
Address	611 W Mahone Drive # D Artesia, NM 88210	Telephone No.	575-748-5488
Facility Name	Welch Western #002	Facility Type	Oil Well
Surface Owner	State of New Mexico	Mineral Owner	
			API No. 30-015-02674

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	09	18S	28E	1650	S	330	E	EDDY

Latitude 32.75908 Longitude -104.17297

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	160bbl	Volume Recovered	30bbl
Source of Release	Production Tank	Date and Hour of Occurrence	7/4/14 Early Morning	Date and Hour of Discovery	7/4/14 9am
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.*					

Describe Cause of Problem and Remedial Action Taken.*

A load of oil was prepared for transport in the location's battery when a failure in the production tank from localized corrosion at the tank bottom occurred. As a result, crude oil was released onto the pad. Vacuum truck(s) called to recover released liquids. Backhoe crew on location excavating impacted soils from release by 2:00pm 7/4/14. An approximate area of 150' X 200'. Battery and well were shut-in, and the production tank taken out of service. 22yds of impacted soils were excavated and scraped from release area and were hauled to an NMOCD approved facility. 220 yards of soil were remediated in-situ and now meet NMOCD criteria for closure.

Describe Area Affected and Cleanup Action Taken.*

Vertical and horizontal delineation samples will be taken and analysis run for TPH and BTEX (chlorides for documentation). If initial analytical results for TPH and BTEX are under RRAL's (site ranking is 0) a final report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. Depth to ground water:>100' (112' New Mexico State Office of the State Engineer): Wellhead protection area: No, distance to surface water body:>1000', site ranking is 0.

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: <i>J. Austin Weyant</i>	OIL CONSERVATION DIVISION		
Printed Name: <i>J. Austin Weyant</i>	Approved by Environmental Specialist:		
Title: <i>SMA PROJECT SLI</i>	Approval Date:	Expiration Date:	
E-mail Address: <i>austin.weyant@sauva</i>	Conditions of Approval:		Attached <input type="checkbox"/>
Date: <i>12/6/15</i>	Phone:		