



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

BTA Oil Producers  
104 S. Pecos  
Midland TX 79701

June 11, 2007

Reference: Owl 20504 JV-P 001 K-18-26s-27e 30-015-34749 Eddy County, New Mexico

This correspondence is to confirm items discussed with your contractor, Eddie Seay, concerning the drilling pit closure in progress at the above referenced site. Based on discussions with Mr. Seay, analytical data and photos presented, the NMOCD is in concurrence that the elevated salt levels remaining in the pit area are likely naturally occurring. The proposal to install a liner and backfill the pit at this point is approved with the following stipulation:

- Like approval by the BLM

Please be advised that this approval does not relieve BTA Oil Producers 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, this approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

As indicated in the proposal document, please submit a final report and date pit was closed upon satisfactory completion of project.

Sincerely,

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, NM 88210  
(505) 748-1283 Ext. 108  
(505) 626-0857  
[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)

ec: Eddie Seay  
cc: well file

June 8, 2007

NMOCD

ATTN: Mike Bratcher  
1301 W. Grand Ave.  
Artesia, NM 88210

RE: BTA Oil  
Owl #1  
Pit Closure

Mr. Bratcher:

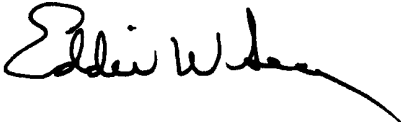
Find enclosed information pertaining to the drilling pit closure for the above listed well. This information and proposal was discussed with Mr. Gumm and yourself earlier.

Work began in May, after an approved C-141 was obtained for the excavation and hauling of the drilling pit contents. Through the hauling process, we excavated and disposed of 2040 cu. yds. of material at CRI, an OCD approved facility. The bottom of the pit was sampled on four different occasions and each time the chloride contents was elevated. Two background samples were taken at approximately one hundred feet North of the pit and another South of the pit. The samples of the background also had elevated chlorides.

Since the geological conditions of the soils have high salt content, we would like to propose to close the pit at this time. We propose to install a 12 mil poly liner over the entire bottom of the excavation, backfill with ambient soil, contour, level and seed with a BLM approved seed mixture. Once all work is complete, we will provide the OCD and BLM with a final report with photos of work conducted.

We would appreciate your consideration to this proposal. Find within report, photos, analytical and samples of soil.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236  
seay04@leaco.net

cc: BLM & BTA



# ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
EDDIE SEAY CONSULTING  
ATTN: EDDIE SEAY  
601 W. ILLINOIS  
HOBBS, NM 88242  
FAX TO: (505) 392-6949

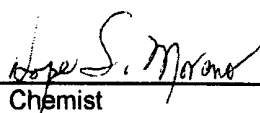
Receiving Date: 05/18/07  
Reporting Date: 05/21/07  
Project Owner: BTA  
Project Name: BTA OWL #1 PIT CLOSURE  
Project Location: LOVING, NM

Analysis Date: 05/21/07  
Sampling Date: 05/18/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: NF  
Analyzed By: AB

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H12621-1	OWL 1	720
H12621-2	OWL 2	6880
H12621-3	OWL 3	11000
H12621-4	OWL 4	4720
H12621-5	OWL 5	5680
H12621-6	OB-1A	720
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		2.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
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Note: Analyses performed on 1:4 w:v aqueous extracts.

  
Chemist

05-21-07  
Date

H12621

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EDDIE SEAY CONSULTING  
ATTN: EDDIE SEAY  
601 W. ILLINOIS  
HOBBS, NM 88242  
FAX TO: (505) 392-6949

Receiving Date: 05/24/07  
Reporting Date: 05/24/07  
Project Owner: BTA OIL  
Project Name: BTA OIL OWL #1 PIT CLOSURE  
Project Location: MALAGA - LOVING AREA

Analysis Date: 05/24/07  
Sampling Date: 05/23/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: AB

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/L)
H12642-1	OWL 1-A	2511
H12642-2	OWL 2-A	1456
H12642-3	OWL 3-A	9037
H12642-4	OWL 4-A	7838
H12642-5	OWL 5-A	4719
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		0.0

METHOD: Standard Methods 4500-Cl<sup>-</sup>B

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

  
Chemist

05-24-07  
Date

H12642EDDIE SEAY

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EDDIE SEAY CONSULTING  
ATTN: EDDIE SEAY  
601 W. ILLINOIS  
HOBBS, NM 88242  
FAX TO: (505) 392-6949

Receiving Date: 05/29/07  
Reporting Date: 05/29/07  
Project Owner: BTA OIL  
Project Name: BTA OWL #1 PIT  
Project Location: LOVING, NM

Analysis Date: 05/29/07  
Sampling Date: 05/25/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: HM  
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H12652-1	OWL 1-B	1248
H12652-2	OWL 2-B	1584
H12652-3	OWL 3-B	16795
H12652-4	OWL 4-B	9117
H12652-5	OWL 5-B	6798
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		2.0

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
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Note: Analyses performed on 1:4 w:v aqueous extracts.

  
Chemist

05-29-07  
Date

H12652 E. SEAY

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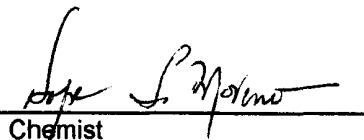
Receiving Date: 05/31/07  
Reporting Date: 05/31/07  
Project Owner: BTA OIL  
Project Name: BTA OWL #1 PIT  
Project Location: LOVING, NM

Analysis Date: 05/31/07  
Sampling Date: 05/30/07  
Sample Type: SOIL & WATER  
Sample Condition: COOL & INTACT  
Sample Received By: LB  
Analyzed By: AB

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (ppm)
H12677-1	OWL 1-C	*9357
H12677-2	OWL 2-C	*14875
H12677-3	OWL 3-C	*144
H12677-4	OWL 4-C	*6458
H12677-5	OWL 5-C	*2959
H12677-6	OWL WW#1	352
H12677-7	OWL BG#2	*15515
Quality Control		480
True Value QC		500
% Recovery		96
Relative Percent Difference		4.2

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
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\*Note: Analyses performed on 1:4 w:v aqueous extracts.

  
Chemist

05-31-07  
Date

H12677 E. SEAY

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EDDIE SEAY CONSULTING  
ATTN: EDDIE SEAY  
601 W. ILLINOIS  
HOBBS, NM 88242  
FAX TO: (505) 392-6949

Receiving Date: 06/06/07  
Reporting Date: 06/06/07  
Project Owner: BTA  
Project Name: BTA OWL #1 PIT  
Project Location: LOVING, NM

Analysis Date: 06/06/07  
Sampling Date: 06/05/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H12707-1	OWL 1-1	5118
H12707-2	OWL 2-2	9677
H12707-3	OWL 3-3	8957
H12707-4	OWL 4-4	1024
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		1.0

METHOD: Standard Methods 4500-Cl<sup>-</sup>B

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

  
Chemist

06-06-07  
Date

H12077 E. SEAY

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