

August 31, 2004

Mr. Paul Sheeley Environmental Engineer New Mexico Oil Conservation Division – District 1 1625 North French Drive Hobbs, NM 88240

RE: ADDENDUM TO SITE CLOSURE REPORT Caprock Exploration, Inc. Saunders 28 B, State No. 001 Section 28, T14S, R33E Lea County, New Mexico



Mr. Sheeley:

BNC Environmental Services, Inc. (BNC) is pleased to present the New Mexico Oil Conservation Division (NMOCD) the following Addendum to the August 12, 2004 Site Closure Report on behalf of Caprock Exploration, Inc. (Caprock), regarding the above referenced site. The site is located west of Lovington, Lea County, New Mexico.

Site activities were performed as proposed in the July 22, 2004 Soil Assessment and Closure Workplan submitted to the NMOCD by BNC on behalf of Caprock. Soil samples were collected by BNC personnel during a site visit conducted on July 26, 2004 and analyzed for Total Petroleum Hydrocarbons (TPH) and Benzene, Toluene, Ethylbenzene, Total Xylenes (BTEX). The NMOCD was notified in advance of the approved closure activities to witness the sampling event. These samples were submitted to TraceAnalysis, Inc. in Lubbock, Texas. Analyses for chlorides on these samples (collected on July 26, 2004) were requested after a Denial of Closure letter was received on August 13, 2004.

Laboratory results indicated chloride concentrations ranging from 204 to 977 mg/Kg in the borehole samples and 546 mg/Kg in the five-point composite sample (a copy of the certified laboratory report is attached).

As a result of these findings, BNC, on behalf of Caprock Exploration, Inc., respectfully requests a written determination of "no further action" for this site. Please forward all communications to Ms. Gail Dixon, Caprock Exploration, Inc., P. O. Box 7288, Odessa, TX 79760.

Sincerely, **BNC Environmental Services, Inc.**

Will Murley Project Manager

Coil

Thomas C. Larson Operations Manager

- Attachments: TABLE I Copy of Certified Laboratory Report
- Cc: Mark Dehlinger, consultant for Caprock Exploration, Inc. Gail Dixon, Caprock Exploration, Inc.

Table I Soil BTEX and TPH Analytical Results Caprock Exploration, Inc. Saunders 28 B, State No. 001

SAMPLE	DATE DEPT			TOLUENE	ETHYL- BENZENE XY	XYLENES	TOTAL BTEX	TPH (8015 Modified)			,
		DEPTH	EPTH BENZENE					TPH DRO	TPH GRO	TPH (GRO/DRO)	Chioride
ID .		(feet)	(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)	¨(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)
	New M	exico Oli Con	servation Div	ision Recomm	nended Reme	liation Action	Levels (To	al Ranking	Score >10)		
			10				50.0			1,000	
			mg/Kg				mg/Kg			mg/Kg	
Saunders Composite	7/26/2004		<0.0100	<0.0100	<0.0100	<0.0100	<0.0100	307	<1.00	307	546
Saunders 0-1'	7/26/2004	0-1	<0.0100	<0.0100	<0.0100	<0.0100	<0.0100	247	<1.00	247	204
Saunders 1-2'	7/26/2004	1-2	<0.0100	<0.0100	<0.0100	<0.0100	<0.0100	117	13.6	130.6	977

Summary Report

Will Murley BNC Midland 2135 South Loop 250 West Midland, TX 79703 Report Date: August 25, 2004 Work Order: 4072807

Project Location:Lovington,New MexicoProject Name:Saunders 28BProject Number:1660

			Date	Time	Date	
Sample	Description	Matrix	Taken	Taken	Received	
39903	Saunders Composite	soil	2004-07-26	12:05	2004-07-28	
39904	Saunders 0-1	soil	2004-07-26	12:12	2004-07-28	
39905	Saunders 1-2	soil	2004-07-26	12:20	2004-07-28	

Sample: 39903 - Saunders Composite

Param	Flag	Result	Units	RL
Chloride		546	mg/Kg	1.00

Sample: 39904 - Saunders 0-1

Param	Flag	Result	Units	RL
Chloride		204	mg/Kg	1.00

Sample: 39905 - Saunders 1-2

Param	Flag	Result	Units	RL
Chloride		977	mg/Kg	1.00



6701 Aberdeen Avenue, Suite 9 155 McCutcheon, Suite H Lubbock, Texas 79424 800 • 378 • 1296 El Paso, Texas 79932 888 • 588 • 3443 E-Mail: lab@traceanalysis.com 806•794•1296 FAX 915•585•3443 FAX

FAX 806 • 794 • 1298 FAX 915 • 585 • 4944

Analytical and Quality Control Report

Will Murley BNC Midland 2135 South Loop 250 West Midland, TX 79703 Report Date: August 25, 2004

Work Order: 4072807

Project Location:Lovington,New MexicoProject Name:Saunders 28BProject Number:1660

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

			Date	Time	Date
Sample	Description	Matrix	Taken	Taken	Received
39903	Saunders Composite	soil	2004-07-26	12:05	2004-07-28
39904	Saunders 0-1	soil	2004-07-26	12:12	2004-07-28
39905	Saunders 1-2	soil	2004-07-26	12:20	2004-07-28

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 4 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Analytical Report

Sample: 39903 - Saunders Composite

Analysis:	Chloride (IC)	Analytical Method:	E 300.0	Prep Method	: N/A
QC Batch:	12231	Date Analyzed:	2004-08-24	Analyzed By	: MW
Prep Batch:	10806	Date Prepared:	2004-08-24	Prepared By:	MW
		RL	·		
Parameter	Flag	Result	Units	Dilution	RL
Chloride		546	mg/Kg	50	1.00

Sample: 39904 - Saunders 0-1

Analysis: QC Batch: Prep Batch:	Chloride (IC) 12231 10806	Analytical Method: Date Analyzed: Date Prepared:	E 300.0 2004-08-24 2004-08-24		Prep Method: Analyzed By: Prepared By:	MW
		RL				
Parameter	Flag	Result	Units	Dilution		RL
Chloride		204	mg/Kg	10		1.00

Sample: 39905 - Saunders 1-2

Analysis: QC Batch:	Chloride (IC) 12231	Analytical Method: Date Analyzed:	E 300.0 2004-08-24	-	thod: N/A d By: MW
Prep Batch:		Date Prepared:	2004-08-24	-	By: MW
Ttep Baten.	10000	Date I repared.	2004-08-24	Fiepalec	I Dy. WIW
		RL			
Parameter	Flag	Result	Units	Dilution	RL
Chloride		977	mg/Kg	100	1.00

Matrix Blank (1) QC Batch: 12231

Parameter	Flag	Result	Units	RL
Chloride		6.46	mg/Kg	1

Laboratory Control Spike (LCS-1) QC Batch: 12231

	LCS	LCSD			Spike	Matrix			Rec.	RPD
Param	Result	Result	Units	Dil.	Amount	Result	Rec.	RPD	Limit	Limit
Chloride	18.0	18.2	mg/Kg	1	12.5	6.46	92	1	90 - 110	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) QC Batch: 12231

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Param	MS Result	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	RPD	Rec. Limit	RPD Limit
Chloride	94500	94500	mg/Kg	5000	12.5	37800	91	0	69.4 - 118	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1) QC Batch: 12231

			CCVs True	CCVs Found	CCVs Percent	Percent Recovery	Date
Param	Flag	Units	Conc.	Conc.	Recovery	Limits	Analyzed
Chloride		mg/Kg	12.5	11.8	94	90 - 110	2004-08-24

Standard (CCV-1) QC Batch: 12231

			CCVs	CCVs	CCVs	Percent	
			True	Found	Percent	Recovery	Date
Param	Flag	Units	Conc.	Conc.	Recovery	Limits	Analyzed
Chloride		mg/Kg	12.5	11.8	94	90 - 110	2004-08-24

Page of_/_ 6701 Aberdeen Avenue, Ste. 9 155 McCutcheon, Suite H CHAIN-OF-CUSTODY AND ANALYSIS REQUEST Lubbock, Texas 79424 TraceAnalysis, Inc. El Paso, Texas 79932 Tel (915) 585-3443 Tel (806) 794-1296 LAB Order ID #_ 4072807 Fax (806) 794-1298 Fax (915) 585-4944 1 (800) 378-1296 1 (888) 588-3443 Company Name: Phone #: TPH +18.17×1085 801 5 6 (num +160 DRo/620) BNC ENV ANALYSIS REQUEST 432 686-0086 (Circle or Specify Method No.) (Street, City, Zip) Fax #: Address: MIOLAND TA 79703 432 686 -0186 2135 5 LOOP 250 WLSS Total Metals Ag As Ba Cd Cr Pb Se Hg 60108/200 7 Contact Person: WILL MULLI Turn Around Time if dillerent from standard Invoice to: (If different from above) TCLP Metals Ag As Ba Cd Cr Pb Se Hg Project #: Project Name: SAUROCAS 28B 1660 GC/MS Semi Vol 8270C/625 Project Location: Sampler Signature: Um LOVINGTON NEW MEXILO GC/MS Vol 8260B/624 esticides 8081A/608 PRESERVATIVE **TCLP Semi Volatiles** SAMPLING MATRIX CONTAINERS Volume/Amount 60218/602 METHOD BTEX (0218)602 TCLP Pesticides PCB's 8082/608 BOD TSS PH TCLP Votatiles LAB # FIELD CODE SLUDGE PAH 8270C WATER NONE DATE H,SO, NaOH MTBE LAB USE TIME -Son H SOIL 밀어 АЯ Ÿ ы ONLY ΙĈ 72 V 402 39903 V SAUNDERS COMPOSITE 1 V $\mathbf{\nu}$ 7/201 120 V V 402 v SAUNDERS 1 0-1 1211 402 V $\sqrt{}$ 15 SAWNALNS 10 1220 -2 Relinguished by: Date: Time: Received by: Date: Time: REMARKS: LAB USE WM rott 1430 ONLY 11 04 7/27/04 7/27 1430 (V) N Relinquished by: Date: Time: **Aeceived** by: Date: Time: intact Headspace Y/N Un 700 Temp HP Relinguished by Date: Received at Laboratory by: Date: Time: Time: Check II Special Reporting 7-28.04 9:17 Limits Are Needed Log In Review samples 45 P924266 1121 Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of C.O.C. Carner # **ORIGINAL COPY**

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