



INFORMATION ONLY

January 17, 2017

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

Attention: Dr. Tomas Oberding

Re: Release Notification (RP 4526)

Dr. Tomas Oberding,

This letter is being sent in regards to the produced water release email sent to you December 15, 2016 @ 9:25 am, concerning the Loco Dinero 36 State Com #2H in Lea Co., NM. An attachment has been included with this letter that lists the corrective action taken by Marshall & Winston, Inc. The formal notice of this release (Form C-141) was initially emailed December 7, 2016 to Mr. Maxey Brown.

Marshall & Winston, Inc. was notified that the State of New Mexico remediation plan would be sent out at a later date (due to the Christmas Holiday & a State Employee Sickness). Marshall & Winston, Inc. has taken preliminary action in response to the release during this time. The attachment that lists the corrective action outlines the treatment to the affected area and the schedule of future testing to ensure that the contaminated area has been restored to its original state.

Please advise if the corrective action plan has been approved by the State of New Mexico.

Sincerely,

Todd Passmore
Operations Manager

TP/sr

Enclosure

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January 16, 2017

**Marshall & Winston, Inc.
Loco Dinero '36' State 2H
Produced Water Spill (Some Oil)
Affected Area – 92,310 sq. ft. / 2.12 acres
GPS Coordinates: N32.444077 W103.465883**

Corrective Action Summary – January 3rd, 4th, 6th, 2017

On January 3rd, 4th, and 6th, 2017 BCC, Inc. tilled all of the affected spill areas in pasture and on the roads that were the result of the produced water (some oil) release off of the Loco Dinero '36' State 2H line. BCC, Inc. then applied our private label BCC SOP 1 Liquid Calcium blend along with fresh water to the affected areas to treat the damage from the spilled produced water. BCC SOP 1 is a premier liquid calcium product made up of calcium, nitrogen and penetrating surfactants that enable the product to percolate through the soil profile more readily creating an ion-exchange for soil improvements and reclamation after a produced water spill. Within the next four to six weeks, after the calcium product blend has had time to complete this initial process, BCC, Inc. will pull follow-up soil samples on this project and have them analyzed by Trace Analysis Laboratories for chloride content and reassess and address any further actions needed at this time.

A handwritten signature in blue ink, which appears to read "Paul Porter", is written over a horizontal line.

Paul Porter
Vice President
BCC, Inc.