April 20, 2018

Stacy Boultinghouse – Energy Transfer

The Oil Conservation Division (OCD) is in receipt of the Annual Monitoring Report (for 2107) dated March 2018, and a Scope of Work Plan from March 2018 and proffers the following:

OCD has no overt issue with Annual Monitoring Report as offered.

OCD also suggests that changing quarters for sampling events for next year be considered so as to preclude potential issue of seasonal variation being missed.

OCD approves the sampling schedules, protocol and analysis Methods as outlined in Scope of Work. Wells approved for sampling are MW's -1, -2, -3, -4, -5, -6 and -7.

OCD also considers the consultant opinion that site needs additional delineation of ground water plume to be accurate. Especially in down-gradient direction. OCD will entertain discussion on selection of location for said additional wells. This discussion should occur sooner rather than later.

OCD appreciates efforts by Energy Transfer and associated consultant on this circumstance. If there are any questions, comments or needs please contact this office.

Please keep this electronic communication as NO paper copy is intended to follow.

Sincerely,

Bradford Billings EMNRD/OCD Santa Fe

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.