June 20, 2018

Katie Jones – ROC Ed Hansen – Basin

Re: Disclosure Report on BD SWD System Junction L-9 EOL in Lea County.

The Oil Conservation Division (OCD) is in receipt for a "Disclosure Report " on/for the above identified location. OCD appreciates the information and data as provided. We do, however, have some questions.

- 1. Was this particular site identified to District Office for release notification and assignment of an RP identifier? I do not see an RP number associated in report. If not, perhaps a C-141 form can be sent and the OCD and ROC catch this location up to the usual process of RP assignment as with other locations. If there is something I am missing in this consideration please contact me with any missing information.
- 2. OCD appreciates the notification of potential ground water impact. As such, I presume ROC/Basin will be providing in the near future a work plan to address this concern? Please let this office know on this regard.
- 3. OCD appreciates the work done relative to excavation, liner and start at re-vegetation. As per the sidewall composite at slightly more than 1000 ppm chloride; in future this value needs to be 600 ppm or less. We understand when placing potential monitor wells that additional soil work may be needed.

Thank you for your efforts to date on this location.

Be sure to include extended range evaluation of TPH in future to include GRO, DRO and MRO.

Please keep a copy of this electronic communication for your files as NO paper copy will follow.

If there are any questions, please contact this office.

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.