



Golder Associates Inc.

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September 23, 2008

Mr. TC Shapard
Project Manager
NMED PSTB
1914 West Second
Roswell, New Mexico 88201

**RE: COMPLETION OF PLUGGING AND ABANDONEMENT & PRODUCT REMOVAL
LOVINGTON 66, LOVINGTON, NEW MEXICO**

Dear Mr. Shapard:

On behalf of Jack Walstad, Golder Associates Inc. (Golder) has completed the first quarterly hand bailing event and the plugging and abandonment of well V-1 at the Lovington 66 site located in Lovington, New Mexico.

Golder subcontracted CMB Environmental to hand bailing non-aqueous phase liquid (NAPL) from four wells: W-1, W-2, W-3, and V-1. On September 3, 2008, Clay Barnhill of CMB Environmental hand bailed the four wells. Table 1 summarized the NAPL thicknesses in each well prior to and post bailing. A total of approximately 7.5 gallons of NAPL was recovered from the wells.

After the wells were hand bailed, JR Drilling plugged and abandoned vertical extent well V-1. The well was plugged by extending a tremmie pipe to the bottom of the well and pumping cement/bentonite grout to the surface. The well head was cut off below land surface after plugging. Attached is the well plugging plan of operation and photographic documentation.

Please feel free to contact me at 505-821-3043 if you need additional information or have any questions.

Sincerely,

GOLDER ASSOCIATES INC.

Teri McMillan
Senior Scientist

Attachments: Table 1 – Summary of NAPL Recovery
Photographic Documentation
Field Notes
Well Plugging Plan of Operation

cc: Jim Maddox, Maddox, Holloman & Kirksey P.C

TABLE

TABLE 1
SUMMARY OF NAPL RECOVERY
LOVINGTON 66, LOVINGTON, NEW MEXICO

Monitor Well	Date Recovered	Prior to Bailing			Post Bailing			Total NAPL Recovered ¹
		Depth To NAPL (feet)	Depth to Water (feet)	NAPL Thickness (feet)	Depth to NAPL (feet)	Depth to Water (feet)	NAPL Thickness (feet)	
W-1	3-Sep-08	54.69	58.52	3.83	-	57.22	0.00	6.00
W-2	3-Sep-08	54.50	54.94	0.44	-	55.52	0.00	0.25
W-3	3-Sep-08	54.60	54.81	0.21	-	55.57	0.00	0.25
V-1	3-Sep-08	53.92	58.45	4.53	-	55.20	0.00	1.00
Cumulative Total NAPL Recovered at the Site¹								7.50

Notes:

NAPL - Non Aqueous Phase Liquid

¹ Measured in gallons - quantity is estimated.

All NAPL recovered is temporarily stored in a 55 gallon drum on-site.

**PHOTOGRAPHIC
DOCUMENTATION**



Photo 1
Clay Barnhill bailing product from W-2.



Photo 2
Product in 55 gallon drum.

Golder Associates



Photo 3
JR Drilling's Trailer.



Photo 4
V-1 plugged and abandoned.

Golder Associates

FIELD NOTES

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 Location Lorington, NM Date 09/03/08
 Project / Client Walstad / Lorington SAT
 Project No: 073-80008 psh Removal

By: CMB Environmental
Geological Services, Inc.
 Page 1 of 2 By: CMB
 Arrived onsite c 10:30 hour.

Time	Well#	psh	DTW	Remarks
11:10	W-3	54.60'	54.81'	4" SCH 40 PVC
11:10	V-1	53.92'	58.45'	2" SCH 40 PVC
11:15	W-1	54.69'	58.52'	4" SCH 40 PVC
11:20	W-2	54.50'	54.94'	4" SCH 40 PVC
12:00	V-1	Ø	55.20	Bailed 5 gal psh / H ₂ O
12:15	W-3	Ø	55.57	Bailed 5 gal. psh / H ₂ O
13:00	W-1	Ø	57.22	Bailed 20 gal psh / H ₂ O
13:30	W-2	Ø	55.52	Bailed 10 gal. psh / H ₂ O

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 Location Lorington, NM Date 09/03/08
 Project / Client Walstad / Lorington SAT
 Project No: 073-80008 psh Removal

By: CMB Environmental
Geological Services, Inc.
 Page 2 of 2 By: CMB
 Left Site c 14:00 hr.
 * Vapour found in On-Site Devm

V-1: 2" SCH 40 PVC MW
 Bailed 5 Gallons of psh / H₂O
 mixture, estimated 1 gallon of
 5 gallons purged is psh - wet
 was subsequently PEA By
 Rob McElroy of J.R. Drilling.
 W-3: 4" SCH 40 PVC MW
 Bailed 5 Gallons of psh / H₂O
 mixture - estimated 0.25 gallon
 of psh purged with 4.75 gal.
 H₂O. - gray H₂O - with Black
 soapiness.
 W-1: 4" SCH 40 PVC MW -
 Bailed 20 Gallons of psh / H₂O
 mixture. Estimated 5-6 gallons
 psh Bailed, remainder H₂O.
 W-2: 4" SCH 40 PVC MW -
 Bailed 5 Gallons psh / H₂O
 mixture. Estimated 0.25 gallon psh
 4.75 gallon H₂O.

**WELL PLUGGING PLAN
OF OPERATION**



JR Drilling, LLC
6 Comanche Court
Edgewood, NM 87015
Office: 505.286.7772
Mobile: 505.803.6266
Fax: 505.286.7710
Email: RbJRDrl@aol.com

**PROVIDING SAFE AND EXPERIENCED
ABANDONMENT AT A COMPETITIVE PRICE**

September 4, 2008

Mr. Kenneth Frescas
NMOSE-Roswell
1900 West Second St.
Roswell, NM 88201

RE: P&A Submittal for Walstad 66 Lovington, NM

Mr. Frescas,

Please find the enclosed paperwork required for Plugging and Abandonment project I completed on 9/3/2008. I have provided you with a map for the site location. I have also provided a spreadsheet depicting the theoretical and actual grout volume required for the well. This well was abandoned in accordance with the rules and regulations for abandonment with your office. This particular well had no POD number assigned.

Please give me a call to discuss, if needed. Thank you for your time and effort.

Regards,

Rob Helton
JR Drilling, LLC
NM WD-1644



WELL PLUGGING PLAN OF OPERATIONS



NOTE: A Well Plugging Plan of Operations shall be filed with and accepted by the Office of the State Engineer prior to plugging.

I. FILING FEE: There is no filing fee for this form.

II. GENERAL / WELL OWNERSHIP:

Existing Office of the State Engineer POD Number (Well Number) for well to be plugged: N/A

Name of well owner: NMED/Mr. T.C. Shapard

Mailing address: Unknown

City: Roswell State: NM Zip code: 88201

Phone number: 505-624-6001 E-mail: Unknown

III. WELL DRILLER INFORMATION:

Well Driller contracted to provide plugging services: JR Drilling, LLC

New Mexico Well Driller License No.: NM WD-1644 Expiration Date: 10/31/2008

IV. WELL INFORMATION:

Note: A copy of the existing Well Record for the well to be plugged should be attached to this plan.

- 1) GPS Well Location: Latitude: 32 deg, 56 min, 38.94 sec
Longitude: 103 deg, 20 min, 56.68 sec, NAD 83
- 2) Reason(s) for plugging well: Not needed for the Monitoring Program any longer
- 3) Was well used for any type of monitoring program? Yes If yes, please use section VII of this form to detail what hydrogeologic parameters were monitored. If the well was used to monitor contaminated or poor quality water, authorization from the New Mexico Environment Department may be required prior to plugging.
- 4) Does the well tap brackish, saline, or otherwise poor quality water? Unknown If yes, provide additional detail, including analytical results and/or laboratory report(s): Contact POC's
- 5) Static water level: 55.0' feet below land surface / feet above land surface (circle one)
- 6) Depth of the well: 82.0' feet

- 7) Inside diameter of innermost casing: 2 inches.
- 8) Casing material: PVC
- 9) The well was constructed with:
 an open-hole production interval, state the open interval:
X a well screen or perforated pipe, state the screened interval(s): Contact POC's
- 10) What annular interval surrounding the artesian casing of this well is cement-grouted? Unknown
- 11) Was the well built with surface casing? No If yes, is the annulus surrounding the surface casing grouted or otherwise sealed? If yes, please describe:
- 12) Has all pumping equipment and associated piping been removed from the well? N/A If not, describe remaining equipment and intentions to remove prior to plugging in Section VII of this form.

Note: If this plan proposes to plug an artesian well in a way other than with cement grout, placed bottom to top with a tremie pipe, a detailed diagram of the well showing proposed final plugged configuration shall be attached, as well as any additional technical information, such as geophysical logs, that are necessary to adequately describe the proposal.

7) Grout additives requested, and percent by dry weight relative to cement: 6-8 lbs Bentonite Powder

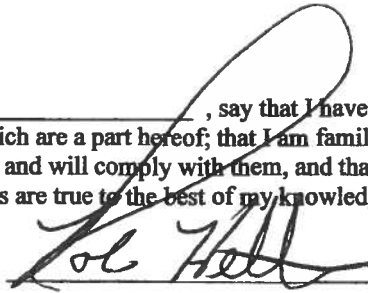
8) Additional notes and calculations: _____

VII. ADDITIONAL INFORMATION: List additional information below, or on separate sheet(s):

See attachments

VIII. SIGNATURE:

I, Rob Helton, say that I have carefully read the foregoing Well Plugging Plan of Operations and any attachments, which are a part hereof; that I am familiar with the rules and regulations of the State Engineer pertaining to the plugging of wells and will comply with them, and that each and all of the statements in the Well Plugging Plan of Operations and attachments are true to the best of my knowledge and belief.



Signature of Applicant

9/4/2008
Date

IX. ACTION OF THE STATE ENGINEER:

This Well Plugging Plan of Operations is:

_____ Approved subject to the attached conditions.
_____ Not approved for the reasons provided on the attached letter.

Witness my hand and official seal this _____ day of _____, _____

John R. D'Antonio, Jr., State Engineer

By: _____

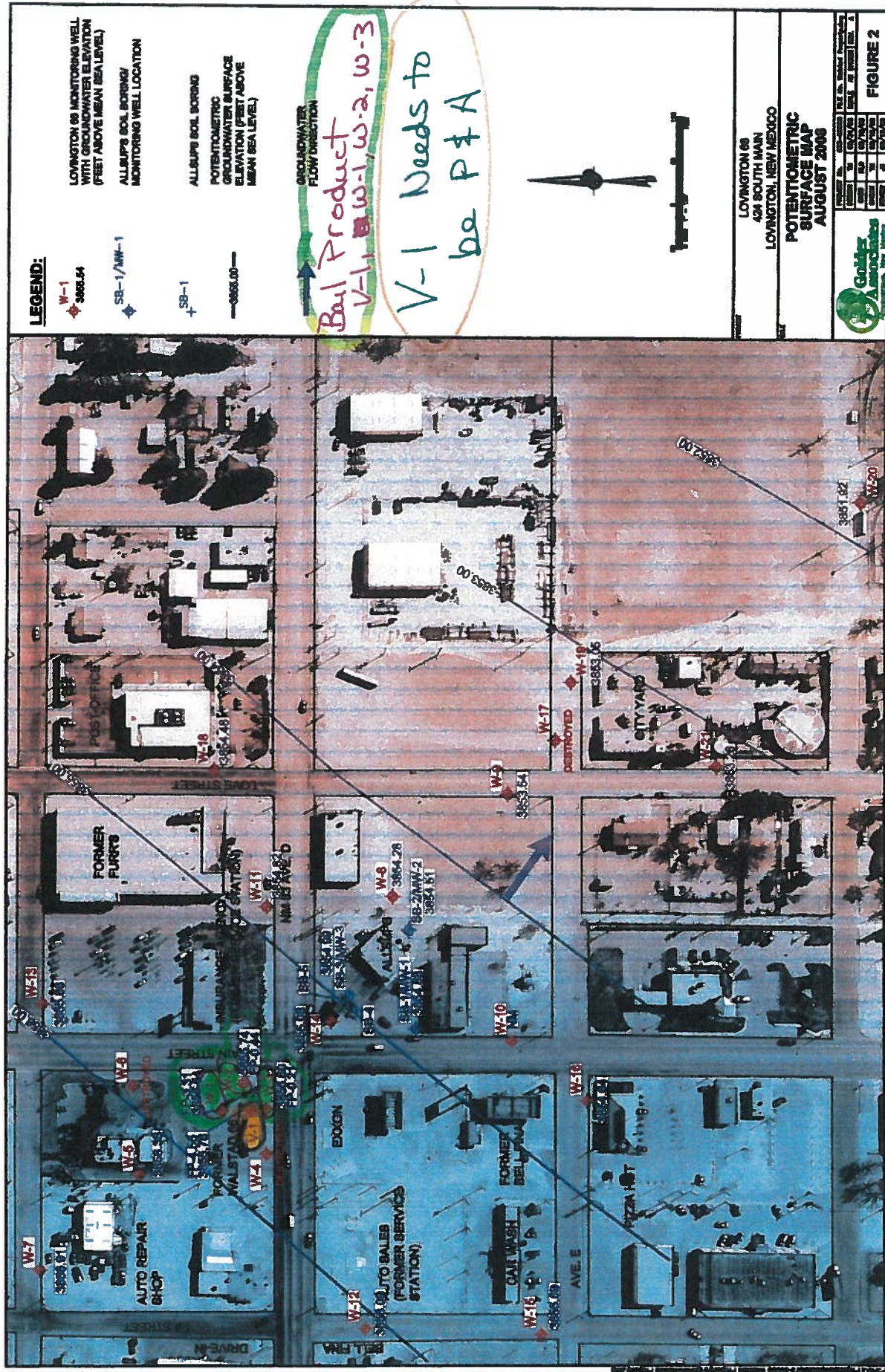


FIGURE 2

Table A.

Summary of Monitor Well Abandonment Data
Walstead 86 Lovington, NM-Golder & Associates-ABQ
1 each 2" MW (TD @ 82')
Pump 84/6 Cement/Bentonite Grout from TD to surface/Remove Surface Completion
Cut PVC below Grade/Restore Surface to Grade/Clean up Site of Debris

THEORETICAL GROUT VOLUMES				
Well ID	Depth to Water (ft)	Total Depth (ft)	Well Volume (ft ³ /gal)	Approximate Grout Volume (gal)
V-1	55.00	82.00	0.17	13.9
Total Footage		82.00		
Total Gallons				13.9

Grout mixture consisted of 14-16 gal. of water, 2 ea 94lb Portland (Type III), and approximately 6-8 lbs. of Bentonite Powder. Each Mixture produces approximately 30 gals. of Grouting Material/Good Water Displacement Occurred Grout was introduced via 1" tremie pipe, placed from TD to surface.

Job Completed: 8/6/2008
 NMOSE File Number: N/A
 Landowner: Unknown

Latitude: 32 deg, 56 min, 38.94 sec
 Longitude: 103 deg, 20 min, 56.88 sec,
 NAD 83

ACTUAL GROUT VOLUMES		
Well ID	Total Depth (ft)	VOLUME (GAL)
MW-1	82.00	27.0
Total Footage	82.00	
Total Gallons Placed		27.00

POC's: Mr. T.C. Shapard
 NMED-Roswell
 505-624-6001

Ms. Teri McMillan
 Golder & Assoc.-Abq
 505-821-3043

Mr. Rob Helton
 JR Drilling, LLC-Edgewood
 505-288-7772
 NIM WID-1644