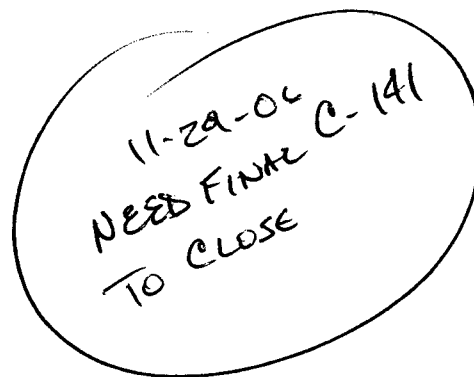


TEXLAND PETROLEUM, L.L.C.
STATE 1-29 (GRIMES 28)
Unit D, Sect. 29, T. 18 S., R. 38 E.
GPS: 32 42' 49" N 103 10' 00" W

CLOSURE



Prepared by
Eddie Seay Consulting
November 2005



RP 1024

November 20, 2006

NMOCD Environmental
ATTN: Larry Johnson
1625 N. French Drive
Hobbs, NM 88240

RE: Texland Petroleum
State 1-29 Grimes Battery Fire

Mr. Johnson:

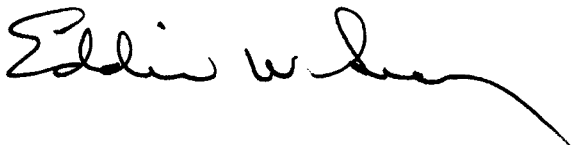
Texland has completed the excavation phase of this remediation and testing. We are within guidelines for closing and would like to backfill with clean soil, level, contour and seed.

Texland excavated approximately 1158 cu. yds. of oily dirt and hauled it to CRI Disposal, an OCD approved facility. The clean soil will come from a site just West of Lovington.

Whenever we get approval, we will backfill as approved and send a final report.

Find enclosed photos, analytical and map of site. If you have any questions, please call.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay", with a long, sweeping horizontal line extending to the right.

Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(505)392-2236
seay04@leaco.net

District I
1623 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Texland Petroleum-Hobbs LLC	Contact	Vickie Smith
Address	777 Main St., Ste 3200, Fort Worth,	Telephone No.	817-336-2751
Facility Name	State 1-29 Battery (#5 & 6)	Facility Type	Tank Battery
Surface Owner	Mineral Owner	State of New Mexico	Lease No. B-2277-1

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	29	18S	38E	approx 330	South	2218	East	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	oil and wtr	Volume of Release	242 BO	Volume Recovered	0 BO
Source of Release	tanks	Date and Hour of Occurrence		Date and Hour of Discovery	6:00 am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	IF YES, To Whom?	6:00 am 8/21/06		8/21/06
By Whom?	Kirk Jackson	Date and Hour	6:00 am 8/21/06		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	IF YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Lightning struck tanks causing tanks to catch fire
Fire department was called

Describe Area Affected and Cleanup Action Taken.*

Tank batter location and surrounding area; Vacuum truck was called to clean up foam.
Location will be assessed and Eddie Seay will submit plan for clean up.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: Vickie Smith

Printed Name: Vickie Smith

Title: Production Analyst

E-mail Address: vsmith@texpetro.com

Date: 8/22/06

Phone: 817-336-2751

Approved by District Supervisor:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

* Attach Additional Sheets If Necessary



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINOIS
HOBBS, NM 88242
FAX TO: (505) 392-6949

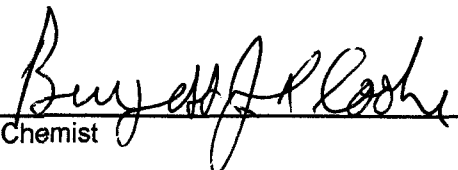
Receiving Date: 11/15/06
Reporting Date: 11/16/06
Project Owner: TEXLAND PET.
Project Name: TEXLAND ST. 29 BATTERY
Project Location: HOBBS, NM

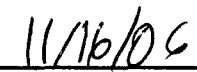
Sampling Date: 11/15/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: BC/AB

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
ANALYSIS DATE		11/15/06	11/15/06	11/15/06
H11801-1	ST. 29 - 1	<10.0	<10.0	96
H11801-2	ST. 29 - 2	<10.0	<10.0	64
H11801-3	ST. 29 - 3	<10.0	<10.0	96
H11801-4	ST. 29 - 4	<10.0	<10.0	64
Quality Control		767	765	500
True Value QC		800	800	500
% Recovery		95.8	95.7	100
Relative Percent Difference		1.0	1.3	4.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CI'B

*Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

H11801

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603

(915) 673-7001 Fax (915) 673-7020

101 East Marland, Hobbs, NM 88240

(505) 393-2325 Fax (505) 393-2478

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

Company Name: Cardinal Laboratories, Inc.

Address: 101 W. Illinois

City: Abilene State: NM Zip: 88242

Phone #: 2-2234

Fax #: 2-1949

Project #: Texland St 29 Project Owner: Texland Nat

Project Name: Texland St 29 Right

Project Location: Abilene

FOR LAB USE ONLY

LAB I.D. Sample I.D.

11801-1 St. 29-1

-2 St. 29-2

-3 St. 29-3

-4 St. 29-4

(G)RAB OR (C)ONT

CONTAINERS

GROUNDWATER

WASTEWATER

SOIL

OIL

SLUDGE

OTHER:

ACID

ICE / COOL

OTHER:

DATE

TIME

11/15

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TPH (8015)
Chb. 2

ANALYSIS REQUEST

Relinquished By: [Signature]

Date: 11/15

Time: 8:50

Received By: [Signature]

Date: 11/15

Time: 7:40

Delivered By: (Circle One)

Sample - UPS - Bus - Other:

Remarks:

Phone Results: ☐ Yes ☐ No

Additional Fax: ☐ Yes ☐ No

Notes and Comments: TPH (8015) Chb. 2

† Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.

