

APPROVED
12.13.05
[Signature]

PC
12.21.05

**PURE RESOURCES
LOVINGTON SA UNIT
SPILL - WELL #18
Unit L, Sect. 32, T. 16 S., R. 37 E.
GPS: 32 52' 63" N 103 17' 11" W**

FINAL REPORT



**Prepared by
Eddie Seay Consulting
November 2005**

November 15, 2005

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

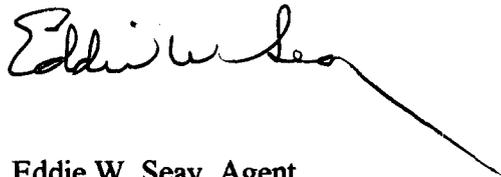
RE: Pure Resources
Pure #18 Spill Site

Mr. Johnson:

Pure has completed the backfilling, leveling and contouring the above listed site as approved. When the weather is appropriate, we will seed as needed. Find attached final photos.

If you have any questions, please call.

Thanks,

A handwritten signature in black ink, appearing to read "Eddie W. Seay". The signature is written in a cursive style and is connected to the typed name below by a thin line.

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

cc: City of Lovington
Pure, Chevron



District I
1625 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 Pure Resources	Contact Darryl Ruthardt
Address P.O. Box 609 Lovington, NM 88260	Telephone No. Off. - 505-393-7503 Cell - 505-390-8418
Facility Name Lovington Sar. Adres Unit ¹⁸	Facility Type - Oil and Gas Production with Water Flood Operations
Surface Owner - City of Lovington NM	Mineral Owner - State
Lease No. B-1527	

API # 30-025-05386-00-00

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	32	16S	37E	1980'	South	330	West	Lea

Latitude - N32 degrees 52,631' Longitude - W103 degrees 17,111'

NATURE OF RELEASE

Type of Release - Produced Water with Iron Sulfide	Volume of Release - Est. 15 bbls	Volume Recovered - 5 bbls
Source of Release - 2" Fiberglass Injection Line	Date and Hour of Occurrence 8-5-05 9:00 AM	Date and Hour of Discovery 8/5/05 10:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Sylvia Dickey	
By Whom?	Date and Hour	
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.

Hole in 2" Fiberglass line releasing produced water from pressurized water injection line servicing USAU #18. Cause is unknown at time of report.

Describe Area Affected and Cleanup Action Taken.*

Produced Water and Iron sulfide residual spray on pasture land and vegetation adjacent to leak location covering approximately 7172 square feet of surface area. Source of leak was isolated. Free standing fluid was recovered by vacuum truck and hauled to disposal August 5, 2005. Spill site will be excavated to dry hard pack soil. Will replace the 2" fiberglass line with a 2 3/8" poly lined synergy wrapped injection line.

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:	Approved by District Supervisor:		
Printed Name: Darryl Ruthardt	Approval Date:	Expiration Date:	
Title: East Area Production Foreman	Conditions of Approval:		
E-mail Address: druthardt@pureresources.com			Attached <input type="checkbox"/>
Date: 8/5/05	Phone: 505-396-7503		

* Attach Additional Sheets If Necessary