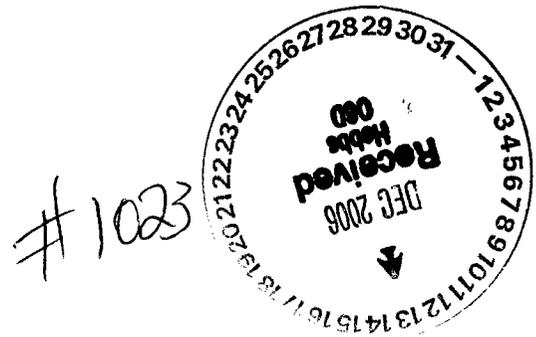


TEXLAND PETROELUM, L.L.C.
STATE 1-29 (GRIMES 28)
Unit D, Sect. 29, T. 18 S., R. 38 E.
GPS: 32 42' 49" N 103 10' 00" W

FINAL REPORT



Prepared by
Eddie Seay Consulting
December 2006

APPROVED 5-4-07
[Signature]

December 13, 2006

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

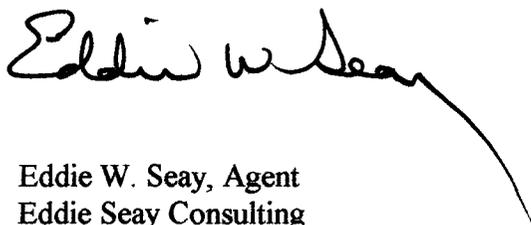
RE: Texland Petroleum
State 1-29 Grimes Battery Fire

Mr. Johnson:

Texland has completed the final cleanup and backfilling as approved. This should close this site. Attached are photos of final cleanup.

If you have any questions, please call.

Sincerely,

A handwritten signature in black ink that reads "Eddie W. Seay". The signature is written in a cursive style and extends downwards and to the right with a long, sweeping tail.

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Artesia, 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.*

Final Cleanup 12/06 Hauled 1158 cu yd.
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:	<i>Vickie Smith</i>	Approved by District Supervisor:	
Printed Name:	Vickie Smith	Approval Date:	Expiration Date:
Title:	Production Analyst	Conditions of Approval:	
E-mail Address:	vsmith@texpetro.com	Attached <input type="checkbox"/>	
Date:	8/22/06	Phone:	817-336-2751

* Attach Additional Sheets If Necessary



