

**HEC PETROLEUM
SPILL - BASS FED. #3
Unit J Section 30, T. 20 S., R. 33 E.
GPS: 32 32' 24" N & 103 42' 00" 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: HEC Petroleum (Pure)
Leak, Bass Fed. #3
Sect. 30, Tws. 20 S., R. 33 E. Unit J

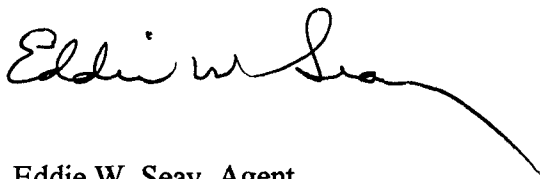
Mr. Johnson:

HEC (Pure) has completed the final cleanup and backfilling as approved. A total of 2068 cu. yds. of soil was taken to Lazy 8 Landfarm, Berry Ranch, and clean soil purchased from Berry was used to backfill and level. When the weather gets appropriate, we will seed the site.

Find final photos attached.

If you have any questions, please call.

Sincerely,



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

cc: Pure Resources, Chevron

325 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

Form C-141
 Revised October 10, 2003

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

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 <i>Pure Resources (HEC)</i> | Contact <i>Cecil Tate</i> |
| Address <i>P.O. Box 609 Lovington, NM 88240</i> | Telephone No. <i>505 316-7503</i> |
| Facility Name <i>Base Fed #3</i> | Facility Type <i>FL</i> |

| | | |
|---------------|---------------|-----------|
| Surface Owner | Mineral Owner | Lease No. |
|---------------|---------------|-----------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|-----------|-----------|-----------|---------------|------------------|---------------|----------------|------------|
| <i>J</i> | <i>30</i> | <i>20</i> | <i>33</i> | <i>1990</i> | <i>South</i> | <i>1990</i> | <i>East</i> | <i>Lea</i> |

Latitude *32° 32' 7"* Longitude *103° 42' 00"*

30025325780000

NATURE OF RELEASE

| | | |
|--|---|-------------------------------|
| Type of Release <i>Production Fluid</i> | Volume of Release <i>40 lbs</i> | Volume Recovered <i>20 lb</i> |
| Source of Release <i>3" Poly Line</i> | Date and Hour of Occurrence | Date and Hour of Discovery |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? <i>Sylvia Dacey</i> | |
| By Whom? <i>Cecil Tate</i> | Date and Hour <i>2:50</i> | |
| 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.* *Flow line leak - replace line
 stabilize area, will need to OCS approved facility.*

Describe Area Affected and Cleanup Action Taken.* *Approx 2000 sq ft.
 Hauled 2069 cu yds of material to Larry's Landfarm.
 Replace with clean soil from ranch. Final cleanup 11/05*

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.

| | | |
|--|--|-----------------------------------|
| Signature: <i>Eddie W Scay</i> | <u>OIL CONSERVATION DIVISION</u> | |
| Printed Name: <i>Eddie W Scay</i> | Approved by District Supervisor: <i>Eddie W Scay</i> | |
| Title: <i>Agent</i> | Approval Date: <i>6-27-07</i> | Expiration Date: _____ |
| E-mail Address: <i>scay_04@leaco.net</i> | Conditions of Approval: _____ | Attached <input type="checkbox"/> |
| Date: <i>11/15/05</i> | Phone: <i>392-2256</i> | |

* Attach Additional Sheets If Necessary

RP# 1449

Chevron Midcontinent, L.P.



PURE RESOURCES
LOVINGTON SA UNIT
SPILL - BASS FED. #3
Unit J Section 30, T. 20 S., R. 33 E.
GPS: 32° 32' 24" N & 103° 42' 00" W

WORK PLAN

Prepared By
Eddie Seay Consulting
August 2005

August 26, 2005

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

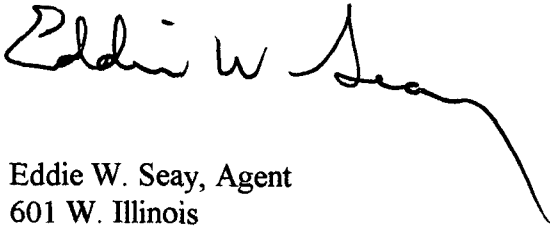
RE: Pure Resources
Leak, Bass Fed. #3
Sect. 30, Tws. 20 S., R. 33 E. Unit J

Mr. Johnson:

Pure just recently had a line leak at the above listed well. We would like approval to begin cleanup as soon as possible. Attached is a copy of the work plan and C-141.

Looking forward to hearing from you.

Sincerely,

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

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

cc: Pure Resources
Mike Northcutt, (505)396-7503, northcutt@pureresources.com

WORK PLAN

General:

Leak occurred 8/22/05, losing salt water & oil. The fluid was pucked up and work began to stabilize area. Approximately 4000 sq. ft. of ground was affected.

Groundwater:

According to State Engineer and Groundwater information, the depth of water occurs at approximately 325 feet below surface.

Remediation Proposal:

All available fluid ws picked up immediately. Our cleanup will be to excavate contaminated soil, haul to an OCD approved facility and replace with clean soil and seed. Before backfilling, the area will be tested for TPH and chloride to assure we meet OCD guidelines, and only after OCD approves, we will backfill and level.

The OCD will be notified of all activities and a report will be filed upon completion.

Ranking Criteria Score - 0

This site has a 5000 ppm TPH cleanup and will cleanup BTEX and Chloride per OCD.

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
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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.
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Form C-141
Revised October 10, 2003
Submit - 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 CECIL D. TATE |
| Address P.O. Box 609 Lovington, NM 88260 | Telephone No. Off.- 505-396-7503 Cell - 505-441-3749 |
| Facility Name BASS #3 | Facility Type - FLOW LINE |

| | | |
|-----------------|-------------------------|-----------|
| Surface Owner - | Mineral Owner - FEDERAL | Lease No. |
|-----------------|-------------------------|-----------|

LOCATION OF RELEASE

30-025-32578

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| J | 30 | 20S | 33E | 1980' | South | 1980 | EAST | Lea |

Latitude - N32 degrees 32,5388' Longitude - W103 degrees 42,0259'

NATURE OF RELEASE

WTR ± 60'

| | | |
|--|--|---|
| Type of Release - Produced Water & OIL | Volume of Release - Est. 18-OIL & 22 WTR.(bbls) | Volume Recovered - 8-OIL & 12 WTR. |
| Source of Release - 3" POLY. LINE | Date and Hour of Occurrence 8-21-05 AFTER 5:00 PM | Date and Hour of Discovery 8-22-05 2:20 PM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? SYLVIA DICKY | |
| By Whom? | Date and Hour 2:50P.M MST | |
| 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.. FAILURE IN FLOW LINE, WILL REPLACE FLOW LINE

Describe Area Affected and Cleanup Action Taken.*
Produced water&Oil leaked over pasture land and vegetation & well pad. Fluid mostly contained on pad. Pasture land and vegetation affected was 4,000 sq. ft. Leak was isolated and fluids were picked by trucks and hauled to disposal. Spill site will be tested and cleaned up per NMOCD regulations. Joint will be replaced before using again.

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.

| | | |
|--|-----------------------------------|------------------|
| Signature: <i>Cecil D. Tate</i> | OIL CONSERVATION DIVISION | |
| Printed Name, Cecil D. Tate | Approved by District Supervisor: | |
| Title: Production Foreman | Approval Date: | Expiration Date: |
| E-mail Address: c.tate@pureresources.com | Conditions of Approval: | |
| Date: 8-23-05 Cell #505-441-3749 Phone: 505-396-7503 office | Attached <input type="checkbox"/> | |

New Mexico Office of the State Engineer
Well Reports and Downloads

Township: Range: Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All

Well / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

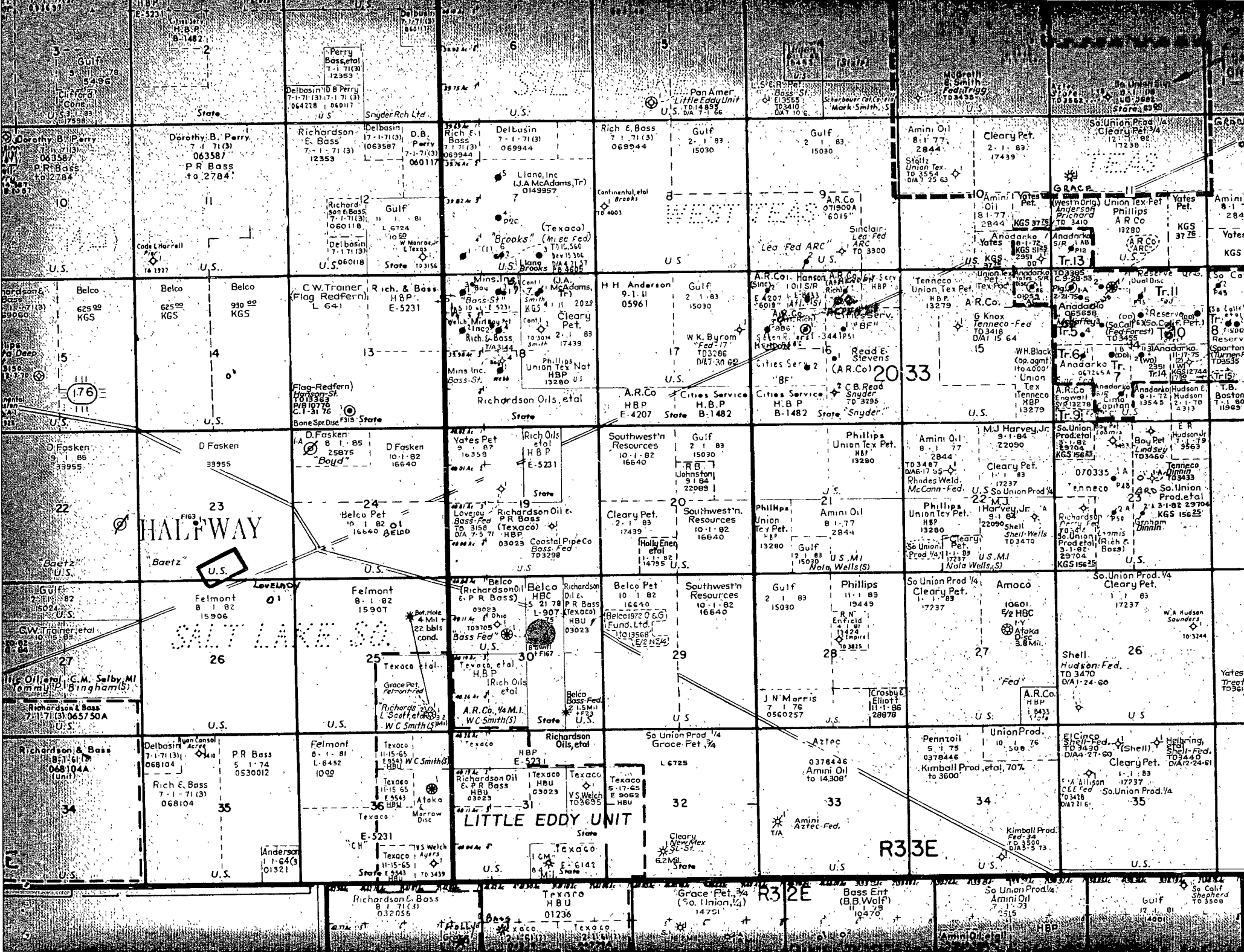
WATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 08/23/2005

| Bsn | Tws | Rng | Sec | Zone | X | Y | Wells | (Depth Water in Feet) | | |
|-----|-----|-----|-----|------|---|---|-------|-----------------------|-----|-----|
| | | | | | | | | Min | Max | Avg |
| CP | 20S | 33E | 05 | | | | 1 | 325 | 325 | 325 |

Record Count: 1



HALFWAY

SALT LAKE

LITTLE EDDY UNIT

R33E

R32E

3 Gulf
5 5492
Clifford
Cone
U.S. 531 593
75988

2 Perry
Bass, et al
7-1-71(3)
12353
State
Delbasin
7-1-71(3), 7-1-71(3)
064228 106017
U.S.

6 Delbasin
7-1-71(3)
069944
U.S.
Snyder Rich Ltd.

5 Pan Amer
Little Eddy Unit
7-1-71(3)
101489
U.S.

4 Gulf
2-1-83
15030
U.S.

3 Gulf
2-1-83
15030
U.S.

10 Amini
Oil
8-1-77
2844
U.S.

11 Cleary Pet.
2-1-83
17439
U.S.

10 Dorothy B. Perry
7-1-71(3)
063587
PR Bass
to 2784
U.S.

11 Dorothy B. Perry
7-1-71(3)
063587
PR Bass
to 2784
U.S.

12 Richardson
E. Bass
7-1-71(3)
12353
U.S.

7 Llano, Inc
(J.A. McAdams, Tr)
0149957
U.S.

8 Continental, et al
Brooks
7-1-71(3)
106018
U.S.

9 A.R. Co.
071900A
6015
U.S.

10 Amini
Oil
8-1-77
2844
U.S.

11 Cleary Pet.
2-1-83
17439
U.S.

15 Belco
625 00
KGS
U.S.

14 Belco
625 00
KGS
U.S.

13 C.W. Trainer
(Flag Redfern)
L 641
U.S.

18 H.H. Anderson
9-1-11
05961
U.S.

17 W.K. Byrom
10-3-86
107-30 00
U.S.

16 A.R. Co.
H.B.P.
B-1482
State
U.S.

15 G. Knox
Tenneco-Fed
10-31-84
15 64
U.S.

14 Richardson Oils, et al
H.B.P.
E-5231
State
U.S.

22 D. Fasken
8-1-85
33955
U.S.

23 D. Fasken
10-1-82
16640
U.S.

19 Yates Pet
8-1-82
16358
U.S.

20 Southwestern
Resources
10-1-82
16640
U.S.

21 Phillips
Union Tex Pet.
H.B.P.
13280
U.S.

20 Cleary Pet.
1-1-83
17439
U.S.

21 Amoco
10-1-82
15907
U.S.

23 Richardson
Oils, et al
H.B.P.
E-5231
State
U.S.

27 Gulf
2-1-82
15024
U.S.

26 Felmont
8-1-82
15906
U.S.

25 Richardson Oil
(Richardson Oil
& P.R. Bass)
03023
U.S.

29 Belco Pet
10-1-82
16640
U.S.

28 Phillips
11-1-83
19449
U.S.

27 So Union Prod 1/4
Cleary Pet.
1-1-83
17237
U.S.

26 Amoco
10-1-82
15906
U.S.

25 Richardson
Oils, et al
H.B.P.
E-5231
State
U.S.

34 Richardson & Bass
8-1-71(3)
068104
U.S.

35 Delbasin
7-1-71(3)
068104
U.S.

30 Richardson Oil
(Richardson Oil
& P.R. Bass)
03023
U.S.

32 So Union Prod 1/4
Grace Pet 3/4
L 6725
U.S.

33 Amoco
10-1-82
15906
U.S.

33 J.N. Morris
0560257
U.S.

34 Pennzoil
5-1-75
0378446
U.S.

35 Richardson
Oils, et al
H.B.P.
E-5231
State
U.S.