

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

MAY 14 2008

OCD-ARTESIA

Form C-141  
Revised October 10, 2003  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

246368

Release Notification and Corrective Action

OPERATOR  Initial Report  Final Report

Name of Company	Basic Energy Service	Contact	Steve Prather
Address		Telephone No.	390.1435
Facility Name	Balco #1 SWD	Facility Type	SWD

Surface Owner	Henry R. Donald	Mineral Owner		Lease No.	
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30-015-25141

LOCATION OF RELEASE								
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	19	23	28					

F 20 235 28E Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release	Sulf 62 lines	Volume of Release	35.7046	Volume Recovered	1045
Source of Release	Value of SWD system	Date and Hour of Occurrence	5/8	Date and Hour of Discovery	5/8 1PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	5/8 OCD		
By Whom?	Eddie W Sean	Date and Hour	5/8 4:00		
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.\*  
Value broke on line, allowing salt water to run out on location and approx 8 to 10 bbl @ location / Pick up what was available, stabilize. Repair Value

Describe Area Affected and Cleanup Action Taken.\*  
10x20 area of location & the rest was contained on location. Will evaluate & file Work Plan for remediation.

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: Eddie W Sean	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Eddie W Sean	Approved by District Supervisor: T Cumby SB	
Title: Agent	Approval Date: 5.22.08	Expiration Date:
E-mail Address: sean04@leaco.net	Conditions of Approval: WORK PLAN AND WORK PLAN APPROVAL WITH STIPULATIONS	
Date: 5/19/2008 Phone: 390.2454	Attached <input checked="" type="checkbox"/>	

\* Attach Additional Sheets If Necessary  
SEB0814340402

JRP-170

**BASIC ENERGY SERVICES  
BELCO #1 SWD  
SECTION 19, TWS. 23 S., RNG. 28 E.**

MAY 21 2008  
OCD-ARTESIA

**WORK PLAN**

**Prepared By  
Eddie Seay Consulting  
May 2008**

ERP-170

May 19, 2008

NMOCD Environmental  
ATTN: Sherry Bonham  
1301 W. Grand Avenue  
Artesia, NM 88210

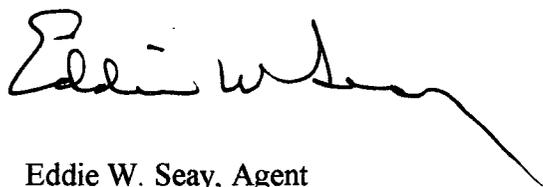
RE: Basic Energy Services  
Belco #1 SWD  
Line Leak

Ms. Bonham:

Basic Energy had a valve break while truck was unloading. Most fluid was contained to location, and as much as possible was vacuumed up. A C-141 was filed and notice was given. Attached is workplan and copy of C-141.

Call if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay", with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(575)392-2236  
seay04@leaco.net

cc: Basic Energy

## **WORK PLAN**

### **General:**

Leak occurred 5/9/08, losing approximately 35 bls. of salt water recovering approximately 10 bls. The fluid was picked up and work began to stabilize area. Most of the leak stayed on location, except an area 10 x 12 on East side.

### **Groundwater:**

According to State Engineer and Groundwater information, the depth of water occurs at approximately 50 to 60 feet below surface, and water is brackish.

### **Remediation Proposal:**

All available fluid was picked up immediately. Our cleanup will be to excavate and scrape contaminated soil, haul to an OCD approved facility and replace with clean caliche.

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

### **Ranking Criteria Score - 20**

This site has a 100 ppm TPH cleanup and will cleanup BTEX and Chloride per OCD.

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### Release Notification and Corrective Action

#### OPERATOR

Initial Report  Final Report

Name of Company	<u>Basic Energy Service</u>	Contact	<u>Steve Prather</u>
Address		Telephone No.	<u>390.1435</u>
Facility Name	<u>Balco #1 SWD</u>	Facility Type	<u>SWD</u>
Surface Owner	<u>Henry McDonald</u>	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
	<u>19</u>	<u>23</u>	<u>28</u>					

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

#### NATURE OF RELEASE

Type of Release	<u>Salt Water</u>	Volume of Release	<u>35.4046</u>	Volume Recovered	<u>1046</u>
Source of Release	<u>Valve of SWD System</u>	Date and Hour of Occurrence	<u>5/8</u>	Date and Hour of Discovery	<u>5/8 1PM</u>
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>5/8 OGD</u>			
By Whom?	<u>Eddie W Sean</u>	Date and Hour	<u>5/8 4:00</u>		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

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Describe Cause of Problem and Remedial Action Taken.\*

Valve broke on line, allowing salt water to run out on location and approx 8 to 10 bbls off location / Pick up what was available, stabilize. Repair Valve

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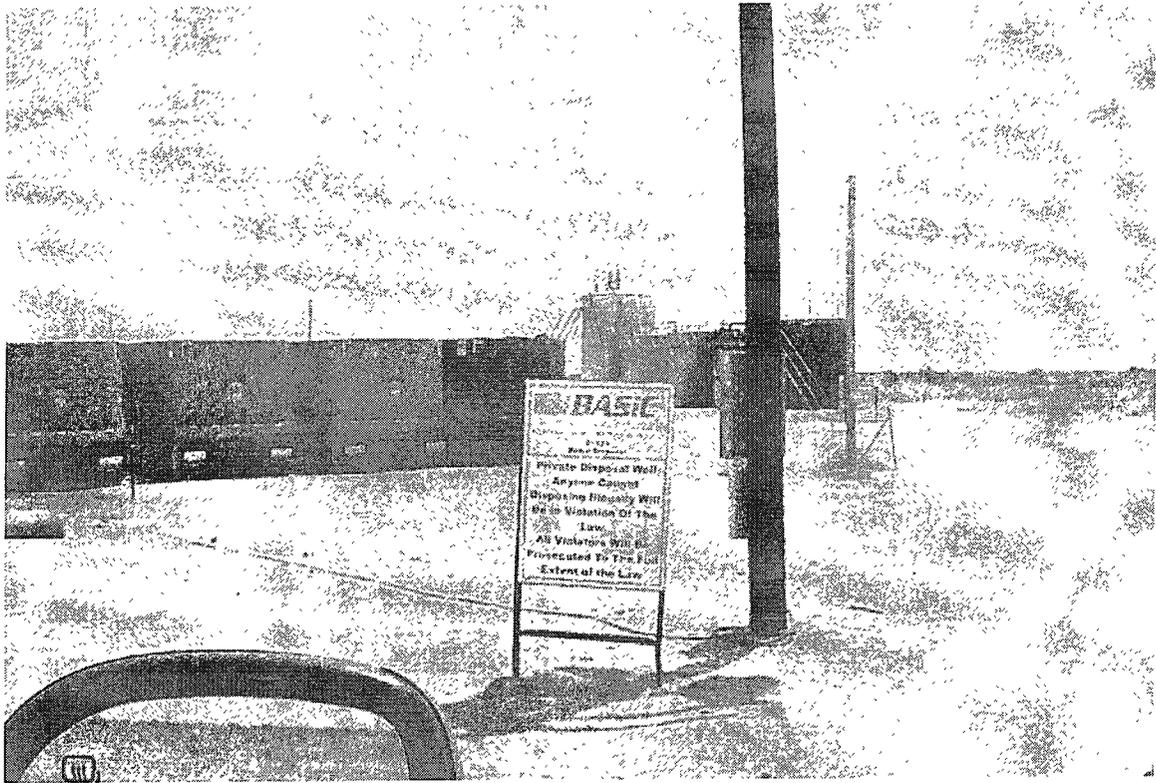
10x20 area of location & the rest was contained on location. Will evaluate & file Work Plan for remediation.

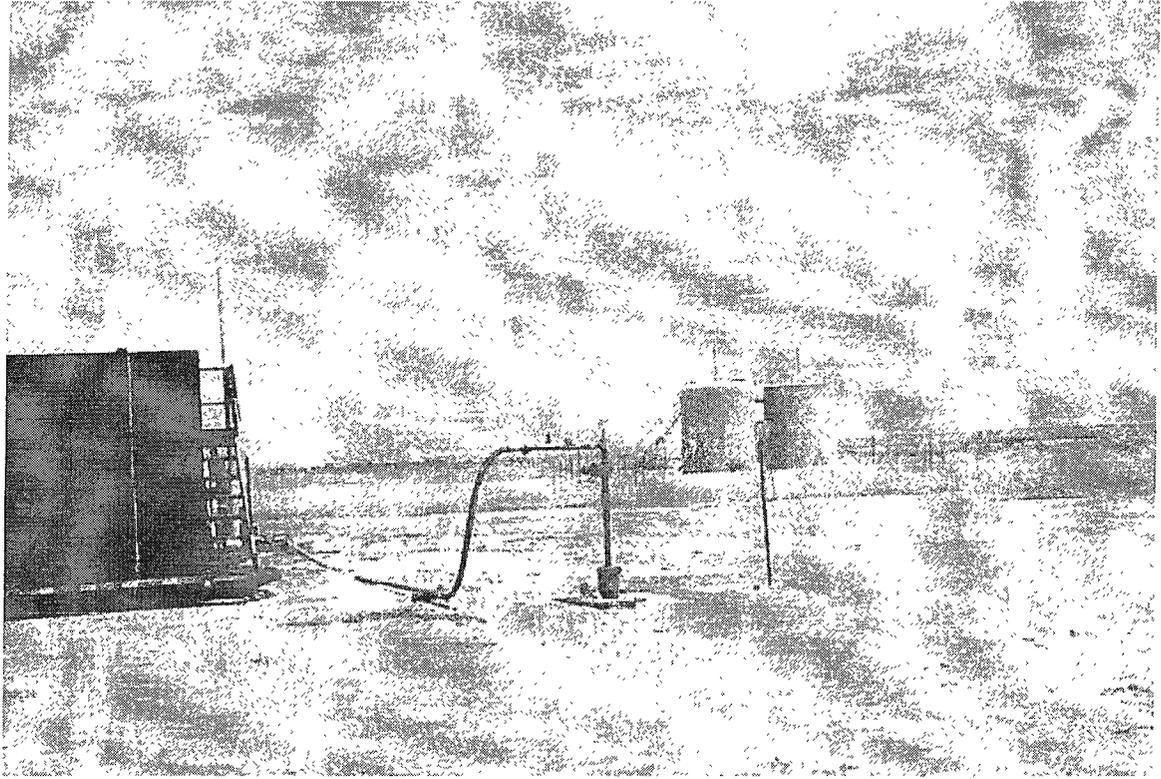
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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:	<u>Eddie W Sean</u>	Approved by District Supervisor:	
Printed Name:	<u>Eddie W Sean</u>	Approval Date:	Expiration Date:
Title:	<u>Agent</u>	Conditions of Approval:	Attached <input type="checkbox"/>
E-mail Address:	<u>sean_04@leaco.net</u>		
Date:	<u>5/9/2008</u>	Phone:	<u>390.2454</u>

\* Attach Additional Sheets If Necessary





# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



**CERTIFIED MAIL—RETURN RECEIPT REQUESTED**  
7007 2680 0001 6451 2629

May 22, 2008

Basic Energy Services, LP  
PO Box 10460  
Midland, TX 79702

Reference: Belco 001 SWD E-20-23S-28E Eddy County, New Mexico  
2RP-170

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report C-141 for a release of salt water occurring at the above referenced facility on or about May 8, 2008. OCD is also in receipt of a remediation work plan (plan) submitted on behalf of operator by Eddie Seay Consulting Services.

The plan is approved with the following stipulations:

- Confirmation soil analyses will be required upon completion of excavation and prior to proposed soil replacement.
- Please notify OCD 48 hours prior to obtaining samples where analyses of samples obtained are to be submitted to OCD.
- Remediation requirements may be subject to change as site conditions warrant.
- Remediation actions are to be completed on or before July 28, 2008.

Remediation requirements may be subject to other federal, state, local laws and/or regulations. Additionally, please be advised that OCD approval does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment.

Thank you for your attention to these matters. If I can be of assistance, you may reach me at the contact information listed below.

Respectfully,

A handwritten signature in black ink, appearing to read "SB", is written over a horizontal line.

Sherry Bonham  
NMOCD District 2  
1301 West Grand Ave.  
Artesia, NM 88210  
(505) 748-1283 Ext.109  
[sherry.bonham@state.nm.us](mailto:sherry.bonham@state.nm.us)

cc: Eddie Seay, Eddie Seay Consulting Services

