

1R - 187

**GENERAL
CORRESPONDENCE**

YEAR(S):

1998 - 2002

Price, Wayne

From: Price, Wayne
Sent: Tuesday, May 21, 2002 9:16 AM
To: 'whearth@iamerica.net'; Price, Wayne
Cc: Kent Weissling
Subject: RE: Ocean Carlisle Monitor Well Plugging Report

Approved!

-----Original Message-----

From: Mike Griffin [mailto:whearth@iamerica.net]
Sent: Tuesday, May 21, 2002 8:49 AM
To: Wayne Price
Cc: Kent Weissling
Subject: Ocean Carlisle Monitor Well Plugging Report

Wayne:

In accordance with your May 10th e-mail request, attached, please find a copy of the Plugging Report for the three monitor wells located at the UMC / Ocean Energy Lovington blowout site.

Thank you again for all of your assistance throughout this project.

Mike Griffin

Tracking:	Recipient	Read
	'whearth@iamerica.net'	
	Price, Wayne	Read: 5/21/2002 9:16 AM
	Kent Weissling	

ATKINS ENGINEERING ASSOCIATES INC.

May 20, 2002

Mike Griffin
19606 San Gabriel
Houston, Texas 77084

RE: Ocean Energy Carlisle St. Com 1-Y

Dear Mr. Griffin:

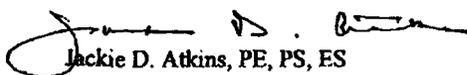
On May 18, 2002, Atkins Engineering Associates, Inc. plugged 3 monitor wells on the Ocean Energy Carlisle St. Com 1-Y west of Lovington, New Mexico.

The 2 inch casings had previously been grouted in place, therefore no removal of casing was possible without collapse of the holes.

The work was accomplished on all 3 wells as follows:

1. Each monitor well total depth was measured as below:
MW-1 - 62 feet
MW-2 - 62 feet
MW-3 - 62 feet
2. A cement slurry of 15 lbs./gal. was pumped down each hole to flow through the screen and plug the screen and casing.
3. Well heads were removed to below land surface.
4. Cement grout was applied to each well head to fill to land surface.

Sincerely,


Jackie D. Atkins, PE, PS, ES

JDA/bam



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 25, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 4713

Mr. Kent Weissling
Ocean Energy Inc.
1001 Fannin Suite 1600
Houston, Texas 77002

Re: Closure Report UMC Carlisle State Com #1

Dear Mr. Weissling:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Ocean Energy Inc.'s closure report dated November 08, 1999 and addendum dated December 14, 1999 submitted by Whole Earth Environmental. The NMOCD has spent many hours reviewing the final closure reports and for reasons stated below the NMOCD cannot grant closure at this time.

1. The closure report did not give the final bottom hole soil analytical results for the West Emergency Pit below the liner and the report reflected the presence of benzene at .019 mg/l in the West Emergency Pit monitor well which exceeds the New Mexico Ground Water Standards for benzene of .010 mg/l.

The NMOCD requires Ocean Energy Inc. to sample all the on-site monitor wells including the nearby windmill and analyze for volatile organics EPA method 8260C, semi-volatile organics EPA method 8270B including 1 and 2-methynaphthalene, WQCC Metals by ICAP method 6010/(ICPMS) and Major Cations/Anions general chemistry from 40 CFR 136.3. The NMOCD requires Ocean Energy Inc. to make arrangements with the NMOCD Environmental Bureau in order that OCD may split samples.

2. The bottom hole soil sample analytical results from the East Emergency Pit was shown on the side profile drawing to be greater than 50 mg/kg for BTEX and 42,518 mg/kg for TPH. This exceeded the levels of the previously approved plan. Therefore, Ocean Energy Inc. will be required to submit for NMOCD approval a long term plan to monitor the site.
3. The closure report indicated the south mixing zone has chlorides remaining in the soil at 19,852 mg/kg. Please submit for NMOCD approval a plan that addresses this issue.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs Office
NMSLO-Santa Fe



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 25, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 4713

Mr. Kent Weissling
Ocean Energy Inc.
1001 Fannin Suite 1600
Houston, Texas 77002

Re: Emergency Response Manual and Training

Dear Mr. Weissling:

As a result of the UMC Carlisle State Com #1 gas well blow-out near Lovington, New Mexico in March of 1998 the New Mexico Oil Conservation Division and UMC agreed that UMC would develop an emergency response manual and provide training on this issue. Pursuant to our telephone conversation yesterday I understand the manual is to be completed within 30 days.

The OCD is requesting that Ocean Energy Inc. began preparing for the training session. We would like to tentatively set-up the event in Hobbs, New Mexico sometime in July of this year. At your earliest opportunity would you please send a draft outline so we may review it and provide comments.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs Office



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 2, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 357 870 126

Mr. Scott M. Webb
Regulatory Coordinator
Ocean Energy
410 17 th Street, Suite 1400
Denver, Colorado 80202
Fax # 303-534-8918

Re: Closure Report Addendums
UMC Carlisle State Com #1
Pit Remediation Projects and Original Site Clean-up.
UL K-Sec 10-Ts16s-R35e

Dear Mr. Webb:

New Mexico Oil Conservation Division (NMOCD) is in receipt of Ocean Energy's (EC) March 11, 1999 closure report addendums submitted as two parts, one (A) UMC Carlisle State Com#1 Pit Remediation Project prepared by Whole Earth Environmental, and two (B) Landfarm/Soil Storage Areas & Peripheral Over Spray Area including information for the Halliburton South, North and East Flare Pits prepared by Callaway Safety Equipment Co., Inc. In order for the NMOCD to complete an evaluation of this closure request Ocean Energy shall supply the following information as required below:

A. Whole Earth Submittal:

1. Please provide dimensional vertical side profile drawings for the West Emergency Pit, West Reserve Pit, East Emergency Pit, and East Reserve Pit. Each drawing shall contain the following information:
 - a. Final soil isoconcentration values for BTEX, TPH, Chloride and any other analytical results taken (i.e. EC, CEC, SAR, ESP, etc) of the bottom, side walls, and compacted soils below the liners, each successive fill lift of the remediated soils, any un-remediated or remaining contaminated soils (i.e. drilling muds, etc.), and top soils. Please include dimensions and any significant features such as monitor wells, groundwater, liners, etc.

Mr. Scott Webb

August 2, 1999

Page 2

- b. Each analytical concentration value shown on the drawing shall be identified and listed in a summary table (i.e. Laboratory Confirmation Testing Index) and cross-referenced to laboratory or field reports. If these values are averaged then list the high and low values obtained. Please include all field or laboratory reports, Chain-of-Custody forms, etc. in an appendix to support values shown on the drawings.
2. OE shall identify and locate the approximate center of each pit by a licensed surveyor and include this on a site plot plan(s).
3. Please identify and provide dimensional plot plans and vertical profile drawings for all general areas that were used as treatment zones for mixing and blending. Each drawing shall contain the following information:
 - a. Final soil isoconcentration values for BTEX, TPH, Chloride and any other analytical results (i.e. EC, CEC, SAR, ESP, etc) for all areas that were used for treatment zones.
 - b. Each analytical concentration value shown on the drawing shall be identified and listed in a summary table (i.e. Laboratory Confirmation Testing Index) and cross-referenced to laboratory or field reports. If these values are averaged then list the high and low values obtained. Please include all field or laboratory reports, Chain-of-Custody forms, etc. in an appendix to support values shown on the drawings.
 - c. All treatment zone areas shall have at least one sample taken three feet below the center of the treatment zone area for background purposes. These analysis shall include BTEX (8020), TPH (418.1 or 8015 GRO&DRO) and EPA general chemistry.
 - d. The center of each location shall be referenced to a known surveyed point.
4. Please provide a groundwater potentiometric surface map (i.e. contours) showing the groundwater flow direction and hydraulic gradient in ft/ft to the nearest .001 ft., a table of the elevations for the monitor wells and groundwater depths to the nearest .01ft.
5. Photos submitted in the October 22, 1998 report were not dated. Please provide and/or re-submit photos which include dates.
6. The NMOCD approved QP-47A "Remediation Protocol" with conditions on July 30, 1998. This Remediation Protocol has been revised three different times with the current revision being QP-47D. These revisions have made significant changes without NMOCD approval.
 - a. It appears that QP-47 D item 9.0 "West Emergency Pit Preliminary Compaction" allows contaminated material to be placed under the liner of the West Emergency pit

Mr. Scott Webb
August 2, 1999
Page 3

that exceeds the values of NMOCD approval letter conditions dated July 30, 1999.

- b. It appears there were changes in the modeling criteria, i.e. salt is modeled at 500 ppm in the closure report, but was modeled at 3000 ppm in the QP-47 A, it also appears there were changes in the final clean-up standards, how certain pits were closed, and the final site restoration.
- c. The Closure Report Volume I Executive Summary Plat Map is nicely prepared but the overlay indicates that the East Reserve Pit contents were placed in the East mix area which is in conflict with the QP-47 D item. 11. Protocol (Reserve Pit Remediation) which indicates the pit was closed pursuant to NMOCD Rule 105.A.

Please provide a detail description and the reasons for all changes made from QP-47A to D and up-date all associated drawings to reflect the final changes.

- 7. The NMOCD's file indicates that on April 28, 1998 Ocean Energy applied for permission on form C-103 to install a liner over the existing drilling reserve pit and committed to removing the contents along with the original contents after completion of the well. The final report reveals there were actually two drilling pits, one called West Reserve Pit and the other East Reserve Pit. Please provide a detailed written description and chronology of all events related to these pits and the final disposition of the contents of the drilling pits in question.

It appears that one of the reserve pits was buried over existing contamination and that blasting had occurred in close proximity, thus causing concern that remaining buried contaminants might infiltrate into the shallow groundwater over time. Also there was no information provided as to the type of liner installed or the mechanical integrity of the liner.

- 8. The groundwater quality monitoring is incomplete. Groundwater was not analyzed for general chemistry anions or the complete New Mexico Water Quality Control Commission (WQCC) water contaminants. Please provide an initial round of sampling for each monitoring well to include analyzing for the complete New Mexico Water Quality Control Commission (WQCC) regulation water contaminants utilizing EPA approved methods, thereafter Ocean Energy may propose analyzing for constituents of concern.
- 9. The BTEX values taken from soil samples 14927-14933 collected during the vertical extent drilling event in the East Emergency Pit bottom exceed WQCC groundwater standards. 8015 GRO & DRO values were provided. It is NMOCD's understanding that the liner was installed over this area thus leaving elevated contamination under the liner. There was no drilling log provided in the report. **Please address this issue.**
- 10. Soil samples 15326-15329 for the East Emergency pit appeared to have been collected without preservation and therefore might not be valid. **Please explain?**

Mr. Scott Webb
August 2, 1999
Page 4

11. Soil sample 15249 West Reserve Pit Bottom was not analyzed for chlorides. This was required as a condition of approval in the original NMOCD approval letter dated April 18, 1998, see item 1. Attachment. **Please provide!**
12. Soil sample 15248 "Spread Composite" is not identified. **Please explain what this represents?**
13. The final report contains analytical results from Cardinal laboratory which are not identified in the report. **Please explain what these analytical results represent and where were they taken?**
14. The July 28, 1998 (7/28/98) chronology indicates that east pit south wall soil sample # 14936 was collected for retesting due to the first samples exceeding the closure protocols. The analytical results provided is for water not soil. **Please provide the correct analysis for these samples.**
15. NMOCD is in receipt of Whole Earth Environmental, Inc.'s letter dated June 16, 1999 with analytical attachment. Please note there is no way to identify which monitor wells these samples were taken from or how the wells were purged. Was this sampling event witnessed by NMOCD? **Please explain and correct!**

B. Callaway Safety Equipment Co., Inc.:

1. Item B.5. from NMOCD letter dated November 24, 1998 requested background levels be established and vertical extent be performed in the pits for chlorides? **Ocean Energy has failed to perform this request! Please provide.**
2. Please identify and provide dimensional plot plans and vertical profile drawings for all general areas that were used as Landfarm/Soil Storage zones. Each drawing shall contain the following information:
 - a. Final soil isoconcentration surface values for BTEX, TPH, Chloride and any other analytical results (i.e. EC, CEC, SAR, ESP, etc) for all areas that were used for Landfarm/Soil Storage zones.
 - b. Each analytical concentration value shown on the drawing shall be identified and listed in a summary table (i.e. Laboratory Confirmation Testing Index) and cross-referenced to laboratory or field reports. If these values are averaged then list the high and low values obtained. Please include all field or laboratory reports, Chain-of-Custody forms, etc. in an appendix to support values shown on the drawings.

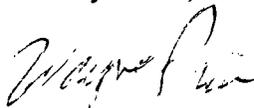
Mr. Scott Webb
August 2, 1999
Page 5

- c. The center of each location in referenced to a known surveyed point.
 - d. Ocean Energy shall incorporate the treatment zone monitoring into these drawings.
3. NMOCD acknowledges receipt of the Over spray area Peripheral Survey and defers comment at this time.

Ocean Energy shall notify the OCD Santa Fe office and the OCD District office at least 48 hours in advance of all scheduled sampling activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.

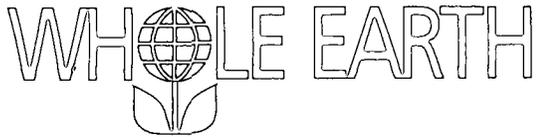
Please provide all of the above information requested to the NMOCD by September 24, 1999. If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs District office
NM State Land Office-Santa Fe, NM



Whole Earth Environmental, Inc.

19606 San Gabriel, Houston, Texas 77084
281/492-7077 • Fax: 281/646-8996

JUN 23 1999

June 16, 1999

New Mexico Oil Conservation Division
2040 S. Pacheco
Sante Fe, NM 87505

Attn: Bill Olson

Enclosed, please find a copy of the third quarter testing results of the three monitoring wells adjacent to the Ocean Energy Lovington remediation project.

We plan to do a final sampling round in September and will pass the results promptly to you.

Warmest regards,

A handwritten signature in black ink, appearing to read "Mike Griffin".

Mike Griffin
President
Whole Earth Environmental, Inc.

cc: Scott Webb / Ocean Energy

LAB OF , INC.

"Don't Treat Your Soil Like Dirt!"

WHOLE EARTH ENVIRONMENTAL
ATTN: MR. MIKE GRIFFIN
19606 SAN GABRIEL
HOUSTON, TEXAS 77084
FAX: 1-281-646-8996

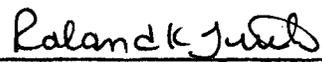
Receiving Date: 06/08/99
Sample Type: Water
Project Name: None Given
Project #: Ocean Lovington
Project Location: None Given

Analysis Date: 06/08/99
Sampling Date: 06/08/99
Sample Condition: Iced/Intact

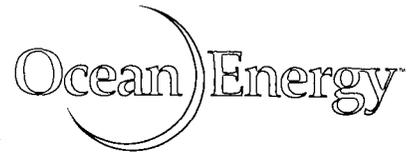
ELT#	FIELD CODE	BENZENE mg/L	TOLUENE mg/L	ETHYLBENZENE mg/L	m,p-XYLENE mg/L	o-XYLENE mg/L
18299	0-1	<0.001	<0.001	<0.001	<0.001	<0.001
18300	0-2	<0.001	<0.001	<0.001	<0.001	<0.001
18301	0-3	<0.001	<0.001	<0.001	<0.001	<0.001

% IA	93	89	90	88	89
% EA	97	94	92	91	91
BLANK	<0.001	<0.001	<0.001	<0.001	<0.001

METHODS: SW 846-8020,5030

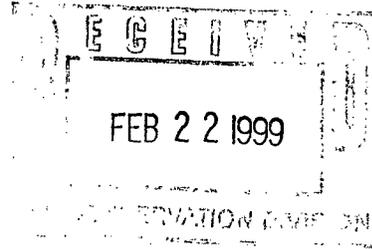

Raland K. Tuttle

6-9-99
Date



February 17, 1999

Wayne Price
State of New Mexico, Energy, Minerals &
Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



RE: Carlisle State Com #1
Closure Report

Dear Wayne;

Ocean Energy, Inc is requesting an extension of time to provide the Commission with the information outlined in your letter dated November 28, 1998. As per our telephone conversation on February 16, 1999, we are requesting an extension of 30 days to March 16, 1999. The weather has not been ideal for the gathering of the requested samples up to this date. The field personnel have been concerned that obtaining samples under these conditions would be detrimental to the actual analysis of the samples.

If you have any questions, I can be reached at (303) 573-4721. Thank you for your time and help in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott M. Webb".

Scott M. Webb
Regulatory Coordinator



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Certified Mail: P 288 259 089
Return Receipt Requested

November 24, 1998

Mr. Scott M. Webb
Regulatory Coordinator
Ocean Energy
410 17th Street, Suite 1400
Denver, Colorado 80202
Fax # 303-534-8918

Re: UMC Carlisle State Com #1
Pit Remediation Projects and Original Site Clean-up.
UL K-Sec 10-Ts16s-R35e

Dear Mr. Webb:

New Mexico Oil Conservation Division (NMOCD) is in receipt of the (A); UMC Carlisle State Com#1 Pit Remediation Project Closure Report Volume I and II dated October 22, 1998 prepared by Whole Earth Environmental and is in receipt of the (B); Final Remedial Action Reports dated July 17, 1998 and the Addendums prepared by Callaway Safety Co. Inc. for the Halliburton South, North and East Flare Pits submitted by Ocean Energy dated November 2, 1998. The NMOCD has the following comments and request concerning the two submittals.

- A. In order to assist NMOCD in the review process we are requesting the following information:
1. Please provide tables that will cross reference the final lab analytical report(s) numbers, results, sample locations, depths, and times, etc. A two or three dimension drawing(s) with overlays would be helpful showing the vertical cross section in layers including the position of the liner relative to groundwater and top surface features for each pit or remediation area.
 2. Please provide a section in the report to address the groundwater investigation. It should include discussions on the groundwater sampling and analyses and should address the following:
 - A. A site map depicting the locations of the monitor wells, windmills, etc.
 - B. A potentiometric surface map showing the groundwater depth contours. Surveyed data reference point and surveyed monitor wells. A table of elevations for the monitor wells and groundwater depths to the nearest .01ft. Groundwater flow directions and hydraulic gradient in ft/ft to the nearest .001 ft.
 - C. Table of groundwater results cross referencing the lab reports, locations, times, etc.
 - D. Sub-section containing all Soil Boring Logs and Monitor Well construction diagrams.
 3. Please provide a Table of Site Chronology of significant events.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

B. Please provide the following information for the three sites closed by Callaway Safety Co.

1. Under the 2.2 Legal Description sections, please provide a unit letter or footage.
2. On the OCD pit closure forms please be more specific as to where the reference point (wellhead) is actually located or reference the report.
3. The pit closure reports show bottom hole results but do not include side wall information. Please provide to demonstrate horizontal extent or provide rational.
4. Attachment C in each report is titled "Ground Water Data Original Laboratory Reports", but the analysis included is for soils, please explain.
5. It appears the vertical extent for hydrocarbons in all three pits have been defined, however the chlorides appear to be elevated. Please demonstrate what the background levels of chlorides would be outside of the impact areas and please investigate the vertical extent for chlorides.
6. Please explain the results for the chlorides 11,300 (mg/kg) found in the North Pit Report lab results sampling date 04/29/98 lab # H3615-1 S42998HSP.
7. Please provide a Table of Site Chronology of significant events.

Please be advised Ocean Energy is required to fulfill the original requirements of the approval letter issued to Mr. Scott Webb on April 18, 1998. The following items have not been addressed as of this date:

1. Under item 2. the large over spray area has not been addressed. Please provide this information.
2. Under item 3. Off-site disposal, please provide.
3. Under Item 4. all areas where soils were stocked piled or temporary land farmed shall be tested, please provide.
4. Under item 5. records of product sells and/or disposal during the blow-out event.

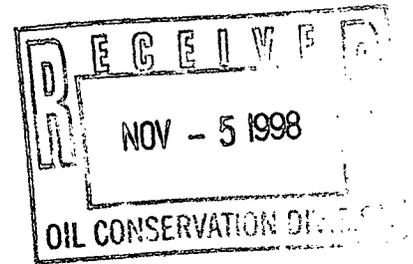
Please provide all of the above information on or before February 15, 1999. OCD may grant additional time for a good cause show. If you require any further information or assistance please do not hesitate to call (505-827-7155) or write this office.

Sincerely Yours,

Wayne Price-Environmental Bureau

cc: Chris Williams-NMOCD District I Supervisor
NM State Land Office-Santa Fe, NM

Ocean Energy



November 2, 1998

Chris Williams
State of New Mexico, Energy, Minerals &
Natural Resources Department
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

RE: Carlisle State Com #1
Lea County, New Mexico
Halliburton and East Flare Pit Closures
Final Report

Dear Mr. Williams;

On behalf of Ocean Energy, Inc., Calloway Safety Equipment Co., Inc. submitted a final closure report on July 17, 1998 and an addendum's on October 22, 1998 for the subject pits.

If you have any questions, I can be reached at (303) 573-4721. Thank you for your assistance throughout the entire remedial process of this location.

Sincerely,

A handwritten signature in dark ink, appearing to read "Scott M. Webb".

Scott M. Webb
Regulatory Coordinator

CC: Wayne Price

October 22, 1998

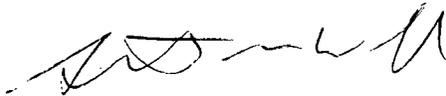
Mr. Wayne Price, Environmental Bureau
State of New Mexico, Energy, Minerals
& Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87504

RE: Carlisle State Com Lease, Well #1
Closure Report

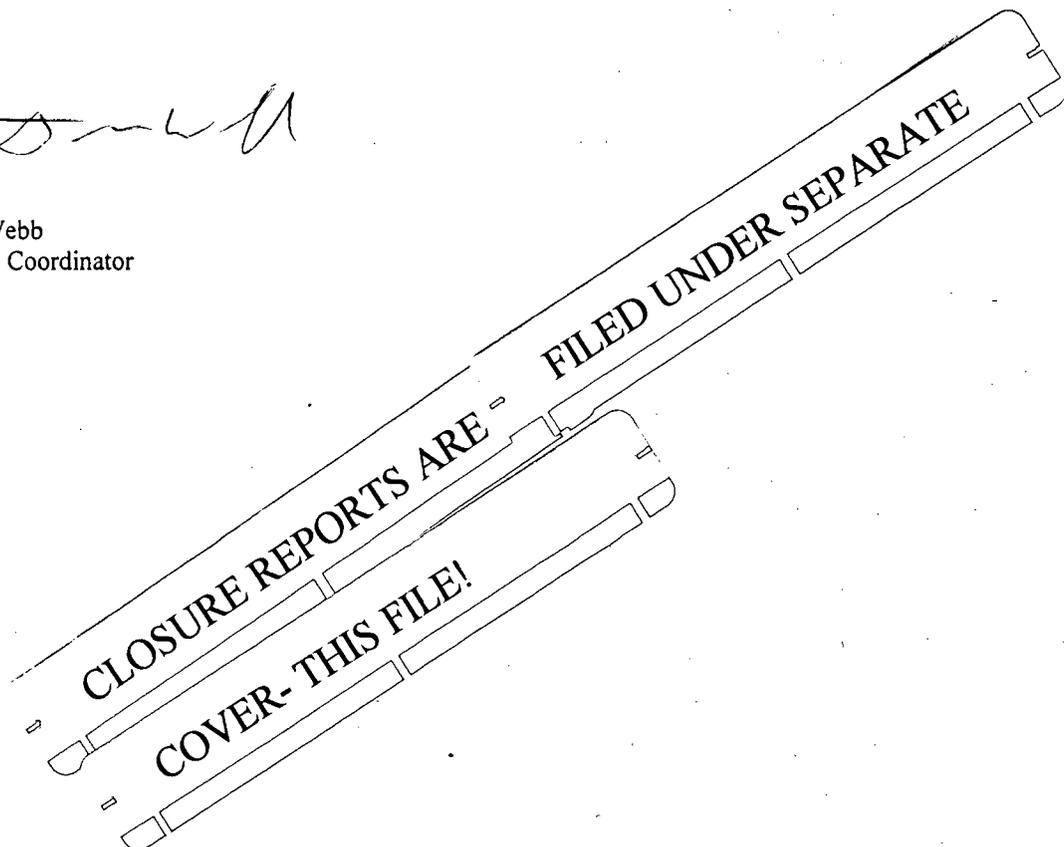
Dear Mr. Price;

Enclosed for your review and comment is the closure report for the subject lease and well.
If you have any questions please call me in the Denver office at (303) 573-4721. Thank you for your time
and help with all stages of this remediation project.

Sincerely,



Scott M. Webb
Regulatory Coordinator



3311 North Grimes
Hobbs, New Mexico 88240
Telephone (505) 392-0659
FAX (505) 392-4547
e-Mail callsafe@gte.net

Callaway Safety Equipment Co., Inc.

October 22, 1998

Mr. Chris Williams
New Mexico Department of Energy, Mineral, and Natural Resources
Oil Conservation Division, Hobbs Field Office
P.O. Box 1980
1000 West Broadway
Hobbs, New Mexico 88240

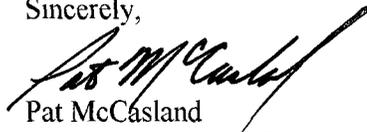
Subject: Final Remediation Action Report Addenda for the unlined pits associated with
the UMC/Ocean Energy Carlisle State Com #1, i.e.,
"Halliburton South Pit"
"Halliburton North Pit"
"East Flare Pit"

Mr. Williams,

UMC/Ocean Energy has contracted with Callaway Safety Equipment Company, Inc. (CSE) to provide environmental services at the above referenced well location. Enclosed, please find; duplicate copies of the "Final Remediation Action Report Addendum" for each of the above referenced unlined pits. The original reports were submitted prior to backfilling and did not contain the requisite information. Based on information provided in these addenda and the respective final remedial action reports, we request final closure approval for these remediated pits.

Your response may be directed to Mr. Scott Webb, UMC/Ocean Energy or CSE. I may be reached at 392-0659 if there are any questions. Thank you for your assistance.

Sincerely,



Pat McCasland

CSE SAFETY AND ENVIRONMENTAL DIRECTOR

CC: WAYNE PRICE, NMOCD
SCOTT WEBB, OCEAN ENERGY, DENVER, COLORADO

Safety - Knowledge - Training - Attitude

District I - (505) 393-0101
 P.O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 South First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

State of New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

Form C-141
 Originated 2/13/97
 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 <i>Umc Petroleum Corp.</i>	Contact <i>Scott M. Webb</i>
Address <i>410 17th St., STE 1400</i>	Telephone No. <i>(303) 573-4721</i>
Facility Name <i>Carlisle State Com #1</i>	Facility Type <i>Drilling Gds Well</i>
Surface Owner <i>Jerry Carlisle</i>	Mineral Owner <i>Umc Petroleum/Kates Pet</i>
Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>K</i>	<i>10</i>	<i>16 S</i>	<i>35 E</i>	<i>7650</i>	<i>South</i>	<i>1980</i>	<i>West</i>	<i>Led</i>

NATURE OF RELEASE

Type of Release <i>Blow out open flow</i>	Volume of Release <i>100 BBL</i>	Volume Recovered <i>1100 BBLs *</i>
Source of Release <i>Drilling Gds Well</i>	Date and Hour of Occurrence <i>3/20/98 2: AM</i>	Date and Hour of Discovery <i>Same</i>
Was Immediate Notice Given? <i>exact time not available</i>	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully. (Attach Additional Sheets If Necessary)

** Berms Installed around Location to Retain Oil*

Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)

Well flowing uncontrolled.

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)

Berms constructed with collection pit, around well. Diameter of 100'. Affected Area (+ -) 4 Acres.

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>Scott M. Webb</i>	OIL CONSERVATION DIVISION		
Printed Name: <i>Scott M. Webb</i>	Approved by District Supervisor: <i>WAYNE PRICE - ENVR ENST.</i>		
Title: <i>Regulatory Coordinator</i>	Approval Date: <i>8/01/98</i>	Expiration Date: <i>OPEN</i>	
Date: <i>3/26/98</i>	Phone: <i>(303) 573-4721</i>	Conditions of Approval: <i>YES</i>	Attached <input checked="" type="checkbox"/>

CLEAN-UP PER WORKPLAN - SEE UMC ENVIRONMENTAL FILE!





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

July 30, 1998

Mr. Scott M. Webb
Regulatory Coordinator
Ocean Energy
410 17 th Street, Suite 1400
Denver, Colorado 80202
Fax # 303-534-8918

Re: UMC Carlisle State Com #1
Pit Remediation Projects and Original Site Clean-up.
UL K-Sec 10-Ts16s-R35e

Dear Mr. Webb:

New Mexico Oil Conservation Division (NMOCD) is in receipt of the Pit Remediation Protocol addendum (QP-47 Rev. A) submitted by Whole Earth Environmental. **Please note this plan is hereby approved as is including other aspects that were addressed in the first submittal dated July 6, 1998 and subject to the following additions and conditions:**

1. Monitor well construction shall be constructed with a minimum of 15 feet of well screen, 10 feet in the water and five feet above. The well shall be appropriately filled with a suitable sand & gravel pack 2 feet above the screen. A bentonite plug properly hydrated shall be set at this point and the well shall be grouted to the surface with cement and 1-3 % bentonite grout. A suitable base shall be constructed for protection. The wells shall be properly developed and purged before sampling. All bore holes must be plugged and abandoned by filling from bottom to top with cement & 1-3% bentonite grout. Any monitor well closure must be approved by NMOCD.
2. Ocean Energy shall provide the results of all sampling events upon request and/or closure. All sampling and testing shall be pursuant to EPA/ NMOCD standard acceptable protocols. The NMOCD requires the right to request additional sampling points, sampling events, and various WQCC chemical constituents upon request.
3. Please be advised that NMOCD approval of this plan does not relieve Ocean Energy, Inc. of liability should their operations fail to adequately investigate, remediate, or contain contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD District I approval does not relieve Ocean Energy, Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations including any additional requirements imposed by the NMOCD Environmental Bureau.
4. Please note if Groundwater is determined to be impacted you must notify the NMOCD Environmental Bureau and this office within 24 hours of discovery and written notification pursuant to NMOCD rule 116.
5. Ocean Engery/UMC is still responsible for the original submittal dated April 15, 1998 and NMOCD approval requirements dated April 18, 1998.

6. Pursuant to telephone conversation with Mr. Mike Griffin of Whole Earth Environmental, Ocean Energy has modified its plan for all soils used for backfill under the synthetic liners to be less or equal to the following limits; Total BTEX = 10 ppm or less, TPH = 100 ppm or less, and Chlorides = 1000ppm, EC=6 or less. Also Ocean Energy will modify its modeling program to an infiltration rate of 1×10^{-6} ft/day rather than 1×10^{-7} ft/day. This more closely represents a synthetic liner per Mr. Griffin.

The NMOCD is currently reviewing the closures submitted by Callaway Safety for the original submittal and will have comments to you in the near future. If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

cc: Chris Williams-NMOCD District I Supervisor
Bill Olson-Environmental Bureau, Santa Fe, NM
Mike Griffin-Whole Earth Environmental

file: wp98/oeumc1

CALLAWAY SAFETY EQUIPMENT CO., INC.

3311 NORTH GRIMES ••• HOBBS, NEW MEXICO 88240

TELEPHONE: (505) 392-0659 • FAX: (505) 392-4547 • E-MAIL: CALLSAFE@GTE.NET

July 17, 1998

Mr. Chris Williams
New Mexico Department of Energy, Mineral, and Natural Resources
Oil Conservation Division, Hobbs Field Office
P.O. Box 1980
1000 West Broadway
Hobbs, New Mexico 88240

Subject: Final Remediation Action Reports for the unlined pits associated with the UMC/Ocean Energy Carlisle State Com #1, i.e.,
"Halliburton South Pit"
"Halliburton North Pit"
"East Flare Pit"

Mr. Williams,

UMC has contracted with Callaway Safety Equipment Company, Inc. (CSE) to provide environmental services at the above referenced well location. Enclosed, please find two copies each of the Final Remediation Action Reports for the above referenced unlined pits, as well as, the completed NMOCD Pit Remediation and Closure Report forms. These reports contain information and conclusions regarding the remediation process implemented according to the previously NMOCD approved Site Assessment Work Plan for the Carlisle State Com #1. Based on these reports, we request final closure approval for these remediated pits. Upon approval, these pits will be decommissioned, i.e., backfilled and contoured in accordance with the Site Assessment Work Plan.

Your response may be directed to UMC/Ocean Energy or CSE. I may be reached at 392-0659 if there are any questions. Thank you for your assistance.

Sincerely,


Pat McCasland
CSE SAFETY AND ENVIRONMENTAL DIRECTOR

CC: WAYNE PRICE, NMOCD
SCOTT WEBB, UMC DENVER





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

July 17, 1998

Mr. Scott M. Webb
Regulatory Coordinator
Ocean Energy
410 17 th Street, Suite 1400
Denver, Colorado 80202
Fax # 303-534-8918

Re: UMC Carlisle State Com #1
Pit Remediation Project Site Survey

Dear Mr. Webb:

New Mexico Oil Conservation Division (NMOCD) is in receipt of your letter dated July 6, 1998 and the above referenced report. Please note in order for the NMOCD to properly evaluate this proposal please have your Environmental Contractor be present for a meeting to be held in the Hobbs NM OCD office on Tuesday July 21, 1998 at approximately 10 am in the morning.

The NMOCD will be asking questions concerning the following topics:

1. Monitor well construction, well development procedures, purging procedures, and sampling procedures.
2. Final bottom hole soil sampling by third party labs.
3. Modeling Questions. Please bring hardware and software to demonstrate VADSAT program. Please be prepared to answer question concerning selection of criteria parameters.
4. Please be prepared to answer questions concerning the progress of the first work plan submitted and the NMOCD requirements.

Please note the NMOCD request this meeting in order to expedite your project. The NMOCD is giving Ocean Energy verbal approval to continue this project pursuant to the revised plan referenced above, however NMOCD reserves the right to rescind this approval if certain key issues required by NMOCD are not addressed in a timely fashion.

Please be advised that NMOCD approval of this plan does not relieve Ocean Energy, Inc. of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD District I approval does not relieve Ocean Energy, Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations including any additional requirements imposed by the NMOCD Environmental Bureau.

Please note if Groundwater is determined to be impacted you must notify the NMOCD Environmental Bureau and this office within 24 hours of discovery and written notification pursuant to NMOCD rule 19.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

cc: Chris Williams-NMOCD District I Supervisor
Bill Olson-Environmental Bureau, Santa Fe, NM
Mike Griffin-Whole Earth Envr. Fax# 281-646-8996

File: wp98/oeumc

SEE

UMC CARLISLE STATE COM#1
PIT REMEDIATION PROJECT SITE
SURVEY

DATED JULY 6, 1998 IN COVER LETTER
ENCLOSED IN REPORT.

CLOSURE REPORTS ARE FILED UNDER SEPARATE

COVER- THIS FILE!



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

May 29, 1998

Mr. Scott M. Webb
Regulatory Coordinator
UMC Petroleum Corporation
17th Street 410 Bldg. Suite 1400
Denver, Colorado 80202

Re: Site Assessment Work Plan for the UMC Petroleum Corporation well: Carlisle State Com #1. Located in UL K Sec 10-Ts16s-R35e. Submitted by Callaway Safety Equipment Co., Inc. (CSE).

Dear Mr. Webb:

To clarify your questions concerning item #'s 1&3 and the contents of the existing drilling pits, the NMOCD is requiring UMC to dispose of this material off-site at an approved NMOCD facility. This pit had lost its mechanical integrity during the blowout and the fact this pit is highly contaminated with both salts and hydrocarbons the NMOCD cannot allow you to bury this waste.

Please note this area is overlying a major fresh water aquifer that supplies drinking water to the city of Lovington, NM. The NMOCD has the authority to require this type of clean-up to protect public health, groundwater, and the environment. We obtain this authority from the NM Oil & Gas Act and the NM Water Quality Act.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

cc: Chris Williams-NMOCD District I Supervisor
Roger Anderson-Environmental Bureau Chief, Santa Fe, NM

NEW MEXICO OIL CONSERVATION COMMISSION
FIELD TRIP REPORT

INSPECTION CLASSIFICATION FACILITY HOURS QUARTER HOURS

Name WAYNE PRICE Date 5-4-78 ^{2:30 PM} Miles _____ District I
 Time of Departure 7 AM Time of Return 4 PM Car No. G-04721

In the space below indicate the purpose of the trip and the duties performed, listing wells or leases visited and any action taken.

Signature W Price

M O D 2

UMC - BLOWOUT SITE K-10-16-35
 MET PAT McCASLAND - CALLOWAY SAs.
 TOURED SITE:
 EAST FLARE pit, WEST pits, WINDMILL AREA,
 EAST pits - (STRONG HYDROCARBON ODORS) -
 SOUTH MUA pits.
 EXCAVATION IN PROGRESS FOR EAST pits, EAST
 FLARE pit & SOUTH MUA pits!

<u>Mileage</u>	<u>Per Diem</u>	<u>Hours</u>
UIC _____	UIC _____	UIC _____
RFA _____	RFA _____	RFA _____
Other _____	Other _____	Other _____

- | TYPE INSPECTION PERFORMED | INSPECTION CLASSIFICATION | NATURE OF SPECIFIC WELL OR FACILITY INSPECTED |
|---------------------------|---|---|
| H = Housekeeping | U = Underground Injection Control - Any inspection of or related to injection project, facility, or well or resulting from injection into any well. (SWD, Indry injection and production wells, water flows or pressure tests, surface injection equipment, plugging, etc.) | D = Drilling |
| P = Plugging | R = Inspections relating to Reclamation Fund Activity | P = Production |
| C = Plugging Cleanup | O = Other - Inspections not related to injection or The Reclamation Fund | I = Injection |
| T = Well Test | E = Indicates some form of enforcement action taken in the field (show immediately below the letter U, R or O) | C = Combined prod. inj. operations |
| R = Repair/Workover | | S = SWD |
| F = Waterflow | | U = Underground Storage |
| M = Mishap or Spill | | G = General Operation |
| W = Water Contamination | | F = Facility or location |
| O = Other | | H = Hearing |
| | | O = Other |

CONFIRMATION REPORT - MEMORY SEND

Time : APR-29-98 07:35
 Fax number: 15053939758
 Name : 8152219

Job : 448
 Date : APR-29 07:34
 To : 13035723034
 Doc. pages : 01
 Start time : APR-29 07:34
 End time : APR-29 07:35
 Pages sent : 01

Job:448 *** SEND SUCCESSFUL ***

APR 29 1998 07:34:34

Page 1

Submit 3 Copies to Approvals District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form O-300 Revised 1-1-89

DISTRICT I
 P.O. Box 1740, Hobbs, NM 88240
 DISTRICT II
 P.O. Box 100, Artesia, NM 88210
 DISTRICT III
 1000 E. 2nd Street S.E., Alamogordo, NM 87410

OIL CONSERVATION DIVISION
 310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

WELL AN NO.	30-025-34279
2. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEDERAL <input type="checkbox"/>
3. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Carlisle State Com
8. Well No.	1
9. Next owner or Willing Morrow	

SUNDARY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator UMC Petroleum Corporation
3. Address of Operator 410 17th St., STE 1400, Denver, CO 80202	4. Well Location Unit Letter <u>K</u> ; <u>1650</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>10</u> Township <u>16S</u> Range <u>35E</u> N.M.P.M. County <u>Lea</u> In Addition (State whether <u>DP</u> , <u>MS</u> , <u>NY</u> , <u>CU</u> , or <u>J</u>) <u>GL 3998'</u>

11. Check Appropriate Box to Indicate Name of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	CONTINUE DRILLING OPER. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
FULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>Line existing reserve pit</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations Clearly over all previous drills, and give pertinent dates, including estimated date of starting any proposed work? SEE RULE 1102.

UMC is requesting to line the existing drilling reserve pit to use for water circulation to complete the well. The original pit contents are dried out. We would like to install liner over old pit and seal, build up the bermed perimeter and utilize. Contents of this pit will be dried out and removed with the drilling pit contents, after the well has been completed.



I hereby certify that the information shown on this and complete to the best of my knowledge and belief.

Signature: Scott M. Webb TITLE: Regulatory Coordinator DATE: 4/28/98

TYPE OR PRINT NAME: Scott M. Webb TELEPHONE NO.: (303) 573-4721

Checked upon for class that ENUR ENUR APPROVED BY: ENUR ENUR DATE: 4/29/98

CLASSIFICATION OF APPROVAL: ENUR

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-368 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION 310 Old Santa Fe Trail, Room 206 Santa Fe, New Mexico 87503

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Hondo Rd., Aztec, NM 87410

WELL API NO. 30-025-34279

5. Indicate Type of Lease STATE FEDERAL

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Carlisle State Com

1. Type of Well: OIL WELL GAS WELL OTHER

8. Well No.

1

2. Name of Operator UMC Petroleum Corporation

9. Pool name or Wildcat Morrow

3. Address of Operator 410 17th St., STE 1400, Denver, CO 80202

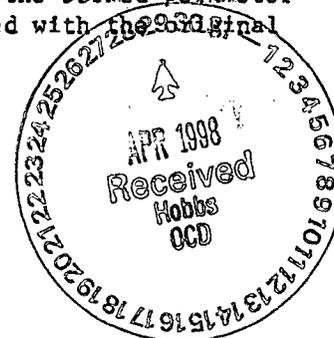
4. Well Location Unit Letter K : 1650 Post From The South Line and 1980 Post From The West Line Section 10 Township 16S Range 35E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL 3998'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK, TEMPORARILY ABANDON, PULL OR ALTER CASING, OTHER: Line existing reserve pit. SUBSEQUENT REPORT OF: REMEDIAL WORK, ALTERING CASING, COMMENCE DRILLING OPNS., PLUG AND ABANDONMENT, CASING TEST AND CEMENT JOB, OTHER.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

UMC is requesting to line the existing drilling reserve pit to use for water circulation to complete the well. The original pit contents are dried out. We would like to install liner over old pit and seal, build up the bermed perimeter and utilize. Contents of this pit will be dried out and removed with the existing drilling pit contents, after the well has been completed.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Regulatory Coordinator DATE 4/28/98 TYPE OR PRINT NAME Scott M. Webb TELEPHONE NO. (303) 573-4721

(This space for State Use) APPROVED BY [Signature] TITLE ENUR ENGR DATE 4/29/98 CONDITIONS OF APPROVAL, IF ANY:

UMC PETROLEUM CORPORATION, DENVER DIVISION
410 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
(303) 573-5100
FAX (303) 572-3034

FAX

Pages (2 including cover)

Date: 4/28/98

To: Chris Williams/Gary Wink
NM OCD FAX (505) 393-0720

From: Scott Webb / Operations Department
(303) 573-4721 FAX (303) 534-8918

Message: Carlisle State Com #1

Chris,

I sent originals in the mail. They have set a liner in the pit but are not using it (the pit) yet. Could we get a verbal approval?

Thanks

Scott Webb

District I - (505) 393-6161
 P.O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 111 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 900 Rio Brazos Road
 Lasac, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

Form
 Origin
 Sub
 to
 Dis

APR 23 1998

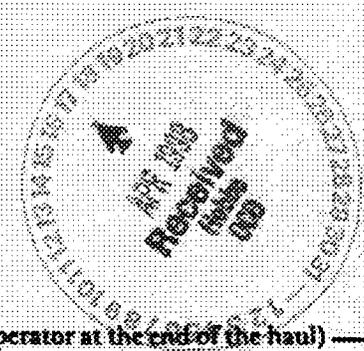
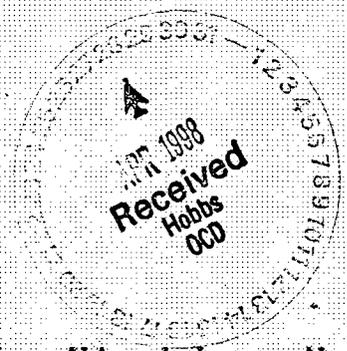
REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE

1. RCRA Exempt: <input type="checkbox"/> Non-Exempt: <input checked="" type="checkbox"/> <i>OK by Equip</i>	4. Generator UMC
Verbal Approval Received: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	5. Originating Site Cargile # 1
2. Management Facility Destination Controlled Recovery, Inc.	6. Transporter Sonny's
3. Address of Facility Operator P.O. Box 369 Hobbs	8. State New Mexico
7. Location of Material (Street Address or ULSTR) Lea County	UMC Cargile # 1
9. Circle One:	
A. All requests for approval to accept oilfield exempt wastes will be accompanied by a certification of waste from Generator; one certificate per job.	
B. All requests for approval to accept non-exempt wastes must be accompanied by necessary chemical analysis. PROVE the material is not-hazardous and the Generator's certification of origin. No waste classified hazardous listing or testing will be approved.	
All transporters must certify the wastes delivered are only those consigned for transport.	

BRIEF DESCRIPTION OF MATERIAL:

The following MSDS sheets are for the UMC Cargile # 1. The material was generated by drilling mud being mixed for well control.

04-010



Estimated Volume 3000 bbls cy Known Volume (to be entered by the operator at the end of the haul) _____

SIGNATURE: Billie Charo TITLE: Environmental Compliance Manager DATE: 04/14/98
Waste Management Facility Authorized Agent
 TYPE OR PRINT NAME: Billie Charo TELEPHONE NO. (505)393-1079

(This space for State Use)
 APPROVED BY: Chris Williams TITLE: District Supervisor DATE: 4/14/98

District I - (505) 393-6161
 P. O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 311 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy, Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

Form C-13
 Originated 8/8/

Submit Origin
 Plus 1 Co
 to appropriate
 District Office

REQUEST FOR APPROVAL TO ACCEPT SOLID WASTE

1. RCRA Exempt: <input type="checkbox"/> Non-Exempt: <input checked="" type="checkbox"/> <i>OK CW BY LWP</i>	4. Generator UMC
Verbal Approval Received: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	5. Originating Site Cargile # 1
2. Management Facility Destination Controlled Recovery, Inc.	6. Transporter Sonny's
3. Address of Facility Operator P.O. Box 369 Hobbs	8. State New Mexico
7. Location of Material (Street Address or ULSTR) Lea County	UMC Cargile # 1
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BRIEF DESCRIPTION OF MATERIAL:

The following MSDS sheets are for the UMC Cargile # 1. The material was generated by drilling mud being mixed for well control.

04-010



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SIGNATURE: Billie Charo TITLE: Environmental Compliance Manager DATE: 04/14/98
Waste Management Facility Authorized Agent
 TYPE OR PRINT NAME: Billie Charo TELEPHONE NO. (505)393-1079

(This space for State Use)

APPROVED BY: Chris Williams TITLE: District Supervisor DATE: 4/14/98

APPROVED BY: _____ TITLE: _____ DATE: _____

Baroid Drilling Fluids, Inc.
Environmental, Safety and Transportation Data Sheet

BAROID*

HEALTH HAZARD 1 FLAMABILITY 0 REACTIVITY 0

Ratings based on NFPA

'Standard system for the Identification of the Fire Hazards of Materials'

I. PRODUCT IDENTIFICATION

Supplier	BAROID DRILLING FLUIDS, INC.	Regular Telephone No.	281/871-5900
Address	P.O. BOX 1675 HOUSTON, TEXAS 77251	Emergency Telephone No.	800 424-9300
Trade Name	BAROID		
Generic Description	BARITE, BARIUM SULFATE, BARYTES	CAS #	7727-43-7

II. HAZARDOUS INGREDIENTS

Material or Component	%	Hazard Data
SILICA 14808-60-	2-6	LOW CONCENTRATIONS OF CRYSTALLINE SILICA (SiO ₂) IN THE FORM OF QUARTZ, CRISTOBALITE, AND TRIDYMITTE MAY BE PRESENT (SEE SECTION V)

III. PHYSICAL DATA

Boiling Point (Deg F)	Melting Point	Freezing Point
NA	2901 F	NA
Specific Gravity (Water = 1)		Vapor Pressure (mm Hg)
4.2		NA
Vapor Density (Air = 1)		Solubility in water, % by wt.
NA		LOW
Volatiles, % by Volume		Evaporation Rate (Butyl Acetate = 1)
NA		NA
Appearance and Odor		Density @ 20 Deg C
WHITE TO GRAY TO TAN POWDER, ODORLESS		4.5 @ 15 C
pH		
ND		

NA = Not Applicable ND = Not Determined

All information recommendations and suggestions herein concerning our product are based upon tests and data believed to be reliable, however, it is the user's responsibility to determine the safety, toxicity, and suitability for his own use of the product described herein. Since the actual use by others is beyond our control, no guarantee, expressed or implied, is made by Baroid Drilling Fluids, Inc. as to the effects of such use, the results to be obtained, or the safety and toxicity of the product, nor does Baroid Drilling Fluids, Inc. assume any liability arising out of use, by others, of the product referred to herein. Nor is the information herein to be construed as absolutely complete since additional information may be necessary or desirable when particular or exceptional conditions or circumstances exist or because of applicable laws or government regulations.

(R) BAROID* is a Registered Trademark of Baroid Technology, Inc.

APR 15 1998
Received
Hobbs
210

BEST Sheet

BAROID*

Page 2

 IV. FIRE AND EXPLOSION DATA

THIS PRODUCT IS NOT FLAMMABLE OR EXPLOSIVE.
 EXTINGUISHING MEDIA: USE MEDIA APPLICABLE TO SURROUNDING FIRE.

 V. HEALTH HAZARD INFORMATION

Carcinogenicity -SEE ROUTES OF EXPOSURE AND EFFECTS (BELOW)

Acute Oral (LD50)
 ND

Acute Dermal (LD50)
 ND

Aquatic Toxicity (LC50)
 ND

Routes of exposure and effects

THIS PRODUCT CONTAINS FREE CRYSTALLINE SILICA WHICH ACCORDING TO THE IARC HAS EXHIBITED LIMITED EVIDENCE OF CARCINOGENICITY IN HUMANS. PROLONGED INHALATION OF DUST MAY RESULT IN SILICOSIS, A NONCANCEROUS LUNG DISEASE. OSHA FINAL LIMITS TABLE Z-3 MINERAL DUSTS.

SILICA: CRYSTALLINE
 QUARTZ (RESPIRABLE)

10 mg/m³

 %SiO₂ + 2

QUARTZ (TOTAL DUST)

30 mg/m³

 %SiO₂ + 2

IF CRISTOBALITE OR TRIDYMITE IS DETECTED, USE ONE HALF THE VALUE CALCULATED FROM FORMULAE FOR QUARTZ.

EYES: IRRITANT

SKIN: POTENTIAL IRRITANT

Emergency and First Aid procedures

EYE: IRRIGATE IMMEDIATELY WITH WATER. IF IRRITATION PERSISTS, CONTACT PHYSICIAN. FLUSH SKIN WITH WATER. SWALLOW: GIVE WATER AND INDUCE VOMITING. IF INHALED IN LARGE AMOUNTS MOVE TO FRESH AIR.

APR 15 1998
 RECEIVED
 HONOLULU
 OHS

BEST Sheet

BAROID*

Page 3

VI. REACTIVITY DATA

Conditions contributing to instability
STABLEIncompatibility
NONEHazardous Decomposition Products
NONEConditions Contributing to Hazardous Polymerization
WILL NOT OCCUR.

VII. SPILL OR LEAK PROCEDURES

Steps to be taken if material is released or spilled
NORMAL HOUSEKEEPING. SWEEP UP AND SALVAGE. CAUSES SLIPPERY SURFACES WHEN WET.Neutralizing Chemicals
NAWaste Disposal Method
DISPOSE OF IN ACCORDANCE WITH ALL LOCAL, STATE, AND FEDERAL REGULATIONS

VIII. INDUSTRIAL HYGIENE CONTROL MEASURES

Ventilation Requirements

MECHANICAL, GENERAL ROOM VENTILATION. USE LOCAL VENTILATION TO MAINTAIN
TLV (SEE SECTION V).

Specific Personal Protective Equipment

Respiratory
USE NIOSH APPROVED MECH. FILTER RESPIRATOREye
GOGGLESGloves
WORKING GLOVESOther Clothing and Equipment
APRON, EYEWASH STATION

APR 15 1998
BAROID
LOVINGTON

BEST Sheet

BARO D#

Page 4

IX. SPECIAL PRECAUTIONS

Precautionary Statements

DO NOT INGEST. AVOID INHALATION AND PROLONGED SKIN CONTACT. RECOMMENDED LABELING: FRONT PANEL: CAUTION SEE BACK PANEL FOR CAUTION BEFORE USE. BACK PANEL: CAUTION! THIS PRODUCT CONTAINS FREE CRYSTALLINE SILICA WHICH ACCORDING TO THE IARC HAS EXHIBITED LIMITED EVIDENCE OF CARCINOGENICITY IN HUMANS. PROLONGED INHALATION OF THE POWDER MAY RESULT IN SILICOSIS, A NONCANCEROUS LUNG DISEASE. AVOID CREATING DUSTY CONDITIONS AND USE A NIOSH APPROVED DUST RESPIRATOR.

Other Handling and Storage Requirements

STORE IN SHELTERED AREA OR COVER FOR MOISTURE PROTECTION.

X. DEPARTMENT OF TRANSPORTATION INFORMATION

Proper Shipping Name:
NOT REGULATED AS HAZARDOUS

Hazard Class:
NOT HAZARDOUS
Hazardous Substance:
NONE
Label:
NONE REQUIRED

Placards:
NONE
Reportable quantity:
NONE
ID Number:
NONE



BEST Sheet

BAROID*

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XI. REGULATORY INFORMATION

STATUS ON SUBSTANCE LISTS

Comprehensive Environmental Response, Compensation and Liability Act of 1980, (CERCLA) requires notification of the National Response Center of release of quantities of Hazardous Substances equal to or greater than the reportable quantities (RQs) in 40 CFR 302.4.

Components present in this product which may require notification are:

Chemical	CAS #
----------	-------

NONE

Superfund Amendments and Reauthorization Act of 1996 Title III requires emergency planning based on Threshold Planning Quantities (TPQs) and release reporting based on RQs.

Components present in this product at a level which could require reporting under the statute are:

NONE

SARA requires the submission of annual reports of toxic chemicals that appear in 40 CFR 372 (for SARA 313). This information must be included in all MSDS that are copied and distributed for this material.

Components present in this product at a level which could require reporting under the statute are:

NONE

Toxic Substances Control Act (TSCA)

The ingredients of this product are on the TSCA inventory.

Prepared By: Baroid Drilling Fluids, Inc.
Environmental Services

Date:
03/26/97



BEST Sheet

BAROID*

Page 6

XII. STATE RIGHT-TO-KNOW

QUARTZ IS ON CANADIAN WHMIS (WORKPLACE HAZARDOUS MATERIAL INFORMATION SYSTEM) INGREDIENT DISCLOSURE LIST, MASSACHUSETTS SUBSTANCE LIST, NEW JERSEY RIGHT TO KNOW HAZARDOUS SUBSTANCE LIST AND PENNSYLVANIA HAZARDOUS SUBSTANCE LIST.



Baroid Drilling Fluids, Inc.
Environmental, Safety and Transportation Data Sheet

SALT GEL

HEALTH HAZARD 1 FLAMABILITY 0 REACTIVITY 0

Ratings based on NFPA

'Standard system for the Identification of the Fire Hazards of Materials'

I. PRODUCT IDENTIFICATION

Supplier
BAROID DRILLING FLUIDS, INC. Regular Telephone No. 281/971-5900
Address Emergency Telephone No. 800 424-9300
P.O. BOX 1675 HOUSTON, TX 77251
Trade Name
SALT GEL
Generic Description
ATTAPULGITE CLAY, MAGNESIUM ALUMINUM SILICATE

II. HAZARDOUS INGREDIENTS

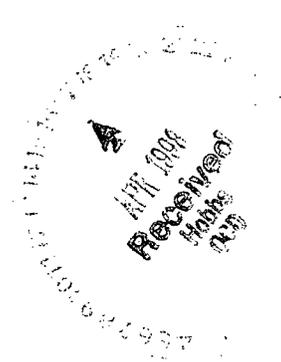
Material or Component	%	Hazard Data
SILICA 14808-60-7	2-6	LOW CONCENTRATIONS OF CRYSTALLINE SILICA (SiO ₂) IN THE FORM OF QUARTZ, CRISTOBALITE AND TRIDYMITE MAY BE PRESENT (SEE SECTION V)

III. PHYSICAL DATA

Boiling Point (Deg F)	Melting Point	Freezing Point
NA	ND	NA
Specific Gravity (Water = 1)	Vapor Pressure (mm Hg)	
2.1	NA	
Vapor Density (Air = 1)	Solubility in water, % by wt.	
NA	NA	
Volatiles, % by Volume	Evaporation Rate (Butyl Acetate = 1)	
NONE	ND	
Appearance and Odor	Density @ 20 Deg C	
OFF WHITE POWDER, NO ODOR	ND	
PH		
ND		

NA = Not Applicable ND = Not Determined

All information recommendations and suggestions herein concerning our product are based upon tests and data believed to be reliable, however, it is the user's responsibility to determine the safety, toxicity, and suitability for his own use of the product described herein. Since the actual use by others is beyond our control, no guarantee, expressed or implied, is made by Baroid Drilling Fluids, Inc. as to the effects of such use, the results to be obtained, or the safety and toxicity of the product nor does Baroid Drilling Fluids, Inc. assume any liability arising out of use, by others, of the product referred to herein. Nor is the information herein to be construed as absolutely complete since additional information may be necessary or desirable when particular or exceptional conditions or circumstances exist or because of applicable laws or government regulations.



BEST Sheet

SALT GEL

Page 2

IV. FIRE AND EXPLOSION DATA

NO FIRE OR EXPLOSION HAZARD. SALT GEL WILL NOT SUPPORT COMBUSTION.
FIRE EXTINGUISHING MEDIA: WATER
SPECIAL FIRE FIGHTING PROCEDURES: NONE

V. HEALTH HAZARD INFORMATION

Carcinogenicity -SEE ROUTES OF EXPOSURE AND EFFECTS (BELOW)

Acute Oral (LD50)
ND

Acute Dermal (LD50)
ND

Aquatic Toxicity (LC50)
ND

Routes of exposure and effects

THIS PRODUCT CONTAINS FREE CRYSTALLINE SILICA WHICH ACCORDING TO THE IARC HAS EXHIBITED LIMITED EVIDENCE OF CARCINOGENICITY IN HUMANS. NUISANCE DUST TLV=10mg/m³. OSHA PEL: CLASSIFIED AS NUISANCE DUST WHEN LESS THAN 1% CRYSTALLINE SILICA IS PRESENT, IF GREATER THAN 1% CRYSTALLINE SILICA, THEN EXPOSURES SHALL NOT EXCEED AN 8-HOUR TIME WEIGHTED AVERAGE LIMIT AS STATED IN 29 CFR 1910.1000 TABLE Z-1-A FOR AIR CONTAMINANTS, SPECIFICALLY; SILICA; CRYSTALLINE QUARTZ (RESPIRABLE) 0.1 mg/m³.

IRRITANT TO EYES, NOSE, THROAT AND LUNGS.

Emergency and First Aid procedures

RINSE ALL CONTACTED AREAS AFTER USE.

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SALVAGE
GDP

BEST Sheet

SALT GEL

Page 3

VI. REACTIVITY DATA

Conditions contributing to instability
STABLE

Incompatibility
NONE

Hazardous Decomposition Products
NONE

Conditions Contributing to Hazardous Polymerization
WILL NOT OCCUR

VII. SPILL OR LEAK PROCEDURES

Steps to be taken if material is released or spilled
VACUUM UP, SALVAGE USEABLE MATERIAL. AVOID CREATING DUSTY CONDITION.

Neutralizing Chemicals
NA

Waste Disposal Method
DISPOSE OF IN ACCORDANCE WITH ALL LOCAL, STATE, AND FEDERAL REGULATIONS.

VIII. INDUSTRIAL HYGIENE CONTROL MEASURES

Ventilation Requirements
MECHANICAL, GENERAL ROOM VENTILATION. USE LOCAL VENTILATION TO MAINTAIN
TLV (SEE SECTION V)

Specific Personal Protective Equipment
Respiratory
USE A NIOSH APPROVED MECHANICAL FILTER RESPIRATOR FOR NONTOXIC DUSTS.
Eye
GOGGLES
Gloves
WORK GLOVES
Other Clothing and Equipment
EYEWASH STATION, APRON



BEST Sheet

SALT GEL

Page 4

IX. SPECIAL PRECAUTIONS

Precautionary Statements
AVOID PROLONGED INHALATION. RECOMMENDED LABELING: FRONT PANEL - CAUTION
SEE BACK PANEL FOR CAUTION BEFORE USE. BACK PANEL - CAUTION! THIS PRODUCT
CONTAINS FREE CRYSTALLINE SILICA WHICH ACCORDING TO THE IARC HAS EXHIBITED
LIMITED EVIDENCE OF CARCINOGENICITY IN HUMANS. PROLONGED INHALATION OF THE
POWDER MAY RESULT IN SILICOSIS. A NONCANCEROUS LUNG DISEASE. AVOID
CREATING DUSTY CONDITIONS AND USE A NIOSH APPROVED DUST RESPIRATOR.

Other Handling and Storage Requirements
STORE IN SHELTERED AREA OR COVER FOR MOISTURE PROTECTION.

X. DEPARTMENT OF TRANSPORTATION INFORMATION

Proper Shipping Name:
NOT REGULATED

Hazard Class:
NONE
Hazardous Substance:
NONE
Label:
NONE

Flacards:
NONE
Reportable quantity:
NONE
ID Number:
NONE



BEST Sheet

SALT GEL

Page 5

XI. REGULATORY INFORMATION

STATUS ON SUBSTANCE LISTS

Comprehensive Environmental Response, Compensation and Liability Act of 1980, (CERCLA) requires notification of the National Response Center of release of quantities of Hazardous Substances equal to or greater than the reportable quantities (RQs) in 40 CFR 302.4.

Components present in this product which may require notification are:

Chemical	CAS #
----------	-------

NONE

Superfund Amendments and Reauthorization Act of 1986 Title III requires emergency planning based on Threshold Planning Quantities (TPQs) and release reporting based on RQs.

Components present in this product at a level which could require reporting under the statute are:

NONE

SARA requires the submission of annual reports of toxic chemicals that appear in 40 CFR 372 (for SARA 313). This information must be included in all MSDS that are copied and distributed for this material.

Components present in this product at a level which could require reporting under the statute are:

NONE

Toxic Substances Control Act (TSCA)

The ingredients of this product are on the TSCA inventory.

Prepared By: Baroid Drilling Fluids, Inc.
Environmental Services

Date:
03/26/97

APR 15 1998
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LABORATORY

BEST Sheet

SALT GEL

Page 6

XII. STATE RIGHT-TO-KNOW

QUARTZ IS ON CANADIAN WHMIS (WORKPLACE HAZARDOUS MATERIAL INFORMATION SYSTEM) INGREDIENT DISCLOSURE LIST, MASSACHUSETTS SUBSTANCE LIST, NEW JERSEY RIGHT TO KNOW HAZARDOUS SUBSTANCE LIST AND PENNSYLVANIA HAZARDOUS SUBSTANCE LIST.

APR 15 1998
FBI - BOSTON
FBI - BOSTON
FBI - BOSTON

UMC Petroleum Corporation

April 16, 1998

**Mr. Wayne Price
New Mexico, Energy, Minerals
& Natural Resources Department
Oil Conservation Division
1000 West Broadway
Hobbs, New Mexico 88240**

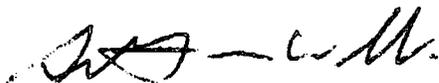
**RE: Carlisle State Com #1
Site Assessment Work Plan**

Dear Mr. Price;

UMC Petroleum Corporation grants Calloway Safety Equipment Company, Inc., their personnel and or representatives, full authority to submit and administer any and all legal or procedural documentation on behalf of UMC Petroleum Corporation in the remedial effort of the Carlisle State Com #1 well and location. Calloway Safety Equipment Company recently submitted a Preliminary Site Assessment Work Plan to your office for consideration and approval on our behalf. UMC is in full agreement with the stipulations and information contained in the work plan.

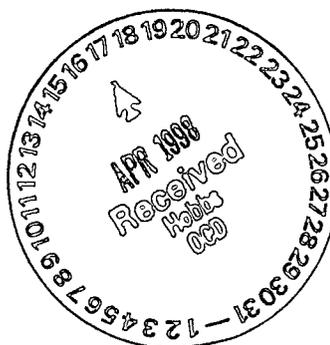
We are awaiting your approval of the plan to begin working on the remedial project as soon as possible. If you have any questions or need additional information, I can be reached in Denver at (303) 573-4721. Thank you for your time and help in this matter.

Sincerely,



**Scott M. Webb
Regulatory Coordinator**

CC: Calloway Equipment Company, Inc.



UMC PETROLEUM CORPORATION, DENVER DIVISION
410 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
(303) 573-5100
FAX (303) 572-3034

FAX

Pages (2 including cover)

Date: 4/16/98

To: Wayne Price/NMO&GCC
(505) 393-0720

From: Scott Webb / Operations Department
(303) 573-4721 FAX (303) 534-8918

Message: Carlisle State Com #1

Wayne,

Here is the authorization letter for Calloway to act on our behalf while working on the well clean-up. I have FED-Xed the original overnight to you. We are not planning to re-use the original drilling reserve pits again. We will use them only in the event of an emergency. We are planning to use steel tanks for any circulating jobs performed on the well. I will be your primary UMC contact for this job, please do not hesitate to call me at (303) 573-4721 if you have any questions concerning the completion of the well.

Thanks,

Scott Webb



CALLAWAY SAFETY EQUIPMENT CO., INC.

3229 INDUSTRIAL DRIVE ••• HOBBS, NEW MEXICO 88240
TELEPHONE: (505) 392-2973 • FAX: (505) 392-4990 • E-MAIL: CALLSAFE@GTE.NET

April 15, 1998

Mr. Chris Williams
New Mexico Department of Energy, Mineral, and Natural Resources
Oil Conservation Division, Hobbs Field Office
P.O. Box 1980
1000 West Broadway
Hobbs, New Mexico 88240

Subject: Site Assessment Work Plan for the UMC Petroleum Corporation well: Carlisle State Com #1

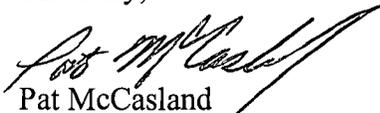
Mr. Williams,

UMC has contracted with Callaway Safety Equipment Company, Inc. (CSE) to provide environmental services at the above referenced well location. Attached is the proposed Site Assessment Work Plan developed by CSE for UMC and is being submitted to you for review and approval. To establish baseline/background reference concentrations of Benzene, Toluene, Ethylbenzene, and Xylene (total), ground water analytical results and the request for analyses/chain of custody form from area water wells is attached.

Currently, down hole work at the well has been suspended for two weeks until equipment becomes available and will allow some excavation and sampling to be initiated and possibly minimize ground water contamination.

Your response may be directed to UMC or CSE. Please call either Sam Callaway or myself at 392-2973 if there are any questions. Thank you for your assistance.

Sincerely,



Pat McCasland

CSE SAFETY AND ENVIRONMENTAL DIRECTOR

CC: WAYNE PRICE, NMOCD
SCOTT WEBB, UMC DENVER

District I - (505) 393-6161
 P.O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 South First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

State of New Mexico
 Energy Minerals and Natural Resources Department
Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

Form C-141
 Originated 2/13/97

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 <i>AMC Petroleum Corp.</i>		Contact <i>Scott M. Webb</i>
Address <i>410 17th St., STE 1400</i>		Telephone No. <i>(303) 573-4721</i>
Facility Name <i>Carlisle State Com #1</i>		Facility Type <i>Drilling Gas Well</i>
Surface Owner <i>Jerry Carlisle</i>	Mineral Owner <i>AMC Petroleum / Yates PET</i>	Lease No.

LOCATION OF RELEASE

Unit Letter <i>K</i>	Section <i>10</i>	Township <i>16S</i>	Range <i>35E</i>	Feet from the <i>1650</i>	North/South Line <i>South</i>	Feet from the <i>1980</i>	East/West Line <i>West</i>	County <i>Led</i>
-------------------------	----------------------	------------------------	---------------------	------------------------------	----------------------------------	------------------------------	-------------------------------	----------------------

NATURE OF RELEASE

Type of Release <i>Blow out open flow</i>	Volume of Release <i>100 BBL + 2,000,000 mcf/day</i>	Volume Recovered <i>1100 BBLs. *</i>
Source of Release <i>Gas Drilling Gas Well</i>	Date and Hour of Occurrence <i>3/20/98 2:AM</i>	Date and Hour of Discovery <i>Same</i>
Was Immediate Notice Given? <i>exact time not available</i>	If YES, To Whom?	
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. (Attach Additional Sheets If Necessary)

** Berms Installed around Location to Retain Flow*

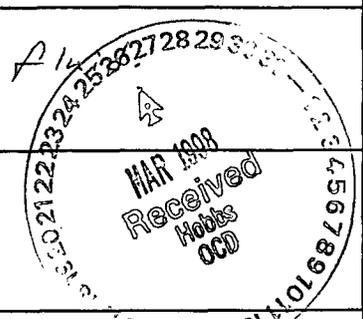
Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)

Well flowing uncontrolled.

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)

Berms constructed with collection pits, around well. Diameter of 100'. Affected Area (+-) 4 Acres.

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>Scott M. Webb</i>	OIL CONSERVATION DIVISION		
Printed Name: <i>Scott M. Webb</i>	Approved by District Supervisor:		
Title: <i>Regulatory Coordinator</i>	Approval Date:	Expiration Date:	
Date: <i>3/26/98</i>	Phone: <i>(303) 573-4721</i>	Conditions of Approval:	Attached <input type="checkbox"/>

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96; A, 3-15-97]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]

(1) A Major Release shall be reported by giving both immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3/15/97]

(2) A Minor Release shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

(1) Immediate verbal notification required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73...2-1-96; A, 3-15-97]

(2) Timely written notification is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A.19). [3-15-97]

P. O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 South First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

STATE OF NEW MEXICO
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

Form C-141
 Originated 2/13/97
 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 <i>Umic Petroleum Corp.</i>	Contact <i>Scott M. Webb</i>	
Address <i>410 17th St., STE 1400</i>	Telephone No. <i>(303) 573-4721</i>	
Facility Name <i>Carlisle State Com #1</i>	Facility Type <i>Drilling Gas Well</i>	
Surface Owner <i>Jerry Carlisle</i>	Mineral Owner <i>Umic Petroleum / Yates P&T</i>	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>K</i>	<i>10</i>	<i>16S</i>	<i>35E</i>	<i>1650</i>	<i>South</i>	<i>1980</i>	<i>West</i>	<i>Led</i>

NATURE OF RELEASE

Type of Release <i>Blow out open flow</i>	Volume of Release <i>100 BBL + 2,000,000 mcf/day</i>	Volume Recovered <i>1100 BBLs</i>
Source of Release <i>Drilling Gas Well</i>	Date and Hour of Occurrence <i>3/20/98 2:AM</i>	Date and Hour of Discovery <i>Same</i>
Was Immediate Notice Given? <i>exact time not available</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	
By Whom?	If YES, To Whom?	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

If a Watercourse was Impacted, Describe Fully. (Attach Additional Sheets If Necessary)
** Berms Installed around Location to Retain Flow*

Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)
well flowing uncontrolled.

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)
*Berms constructed with collection pits, around well
 Diameter of 100'. Affected Area (+ -) 4 Acres.*

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>Scott M. Webb</i>	OIL CONSERVATION DIVISION		
Printed Name: <i>Scott M. Webb</i>	Approved by District Supervisor:	Approval Date:	Expiration Date:
Title: <i>Regulatory Coordinator</i>	Date: <i>3/26/98</i>	Phone: <i>(303) 573-4721</i>	Conditions of Approval:
			Attached <input type="checkbox"/>

