

August 29, 2005

30-045-32876

BP America Farmington NM Operations
Federal GC # 001 Reserve Pit Fencing ✓
UL-C Sec. 14 T 30N R 11W

Well was drilled from 7/31/05 through 8/3/05. Rig moved off location 8/4/05.

Mo-Te set anchors on well 8/5/05.

Pit/site inspection completed 8/8/2005. (See attached pictures)

Pit/site inspection completed 8/16/2005. (See attached pictures)

Bobby Vigil with the BLM came to the BP Office on 8/17/05 and dropped off pictures he had taken on 8/15/05 at 10:20 AM, and asked if we could pick up the one t-post inside the pit fence, and a piece of liner that was cut loose at the end of the pit. At this time, the pit fence was up. We informed Bobby that we would do so, and get back with him when it was completed. (

We sent our pit inspector out to the well on 8/18/05 and retrieved the t-post and small piece of liner. We inspected the site and pit again. Bobby Vigil was notified, and he was satisfied with the actions taken. (See pictures)

BP received an e-mail on 8/24/2005 from Marie Gutierrez (NMOGA), that was originally sent to NMOGA from Warren and Sug McNall, identifying "Approximately 75 feet of the hogwire/steel post pit fence is laying flat on the ground. The pit has a copious amount of stinking dark colored fluid in it. A small amount of trash is in the fluid. Since the well pad is not fenced, there is nothing to keep animals or people out of this pit. The well head is surrounded with multiple dark colored oily looking spills. The rig moved off this site approx. two weeks ago." The local BP office received no notification of this matter from the McNalls.

We immediately dispatched personnel to the location, and found that the fence was indeed down. There was no indication of whom or why the fence was taken down. There has been no activity on this site other than the weekly site inspections, as this well is awaiting completion. The trash was 3 empty bottles in the reserve pit. The oil stain is a surface stain only, and will be cleaned once completion operations are complete, and the crews begin installation of surface equipment. There are no standing fluids that could potentially leave location. This is standard operating procedure for this type of work. The fence was repaired. The reserve pit does have an odor which is not H2S. The well is a new drill well, and has not been completed. It smells more like brackish water, and we will begin hauling the fluids to Basin Disposal beginning 8/30/2005. Our regularly scheduled site inspections will continue until the reserve pit is closed and reclaimed.

If you have any questions, please feel free to give me a call. Thanks.

Donald Brooks
BP Field Environmental Coordinator
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