BURLINGTON RESOURCES

SAN JUAN DIVISION

June 5, 1998

Denny Foust New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, NM 87410 DECEIVED

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OUL COM. DIV.

DIST. 3

Re: Report of an Undesirable Event

Scott #2-R Well Site Supplemental Information

Dear Mr. Foust:

The purpose of this correspondence is to provide you with supplementary information for the undesirable event that occurred December 24, 1997, at Scott #2-R gas well located in Unit G, Section 31, Township 32N, and Range 10W.

On December 26, 1997, it was discovered the drain valve froze on Scott #2-R condensate tank, therefore, releasing condensate within the bermed containment. Philip Environmental was contracted to excavate the contaminated soils within the bermed area surrounding two 210-barrel tanks. To improve access to the impacted soils the fiberglass pit liner was removed and placed at a separate location. After the liner was relocated, approximately 60 cubic yards of soil was removed and landfarmed on-site. The main purpose of exhuming the soils was to remove the contaminated soils that were impacted as a result of this release. The excavation was completed at a depth of 4.5 feet below ground surface within the berm area. Regarding the pit liner, a steel liner will be installed on-site instead of fiberglass.

Should you have any additional questions concerning this project feel free to contact me at 326-9537.

Sincerely,

off Schoenbacher

Environmental Representative

Attachment: Release Incident Reports

cc: Bruce Gantner

Ed Hasely Correspondence

JTS: