

PATTERSON PETROLEUM
Montcalm 25 St #1
Unit H, Sect. 25, Tws. 17 S., Rng. 33 E.
API # 30025 37823 0000

WORK PLAN

Prepared By
Eddie Seay Consulting
August 2006



RP#1001
APP#PAC0622626650

August 11, 2006

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

RE: Patterson Petroleum
Spill

Mr. Johnson:

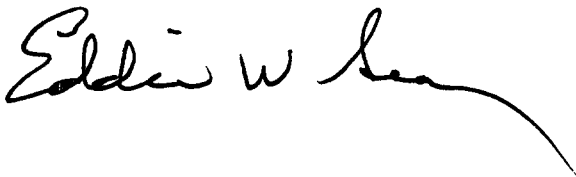
Attached is the work plan for the recent spill of condensate and oil.

Gandy Corp. will be performing the remediation and will follow the guidelines set forth by the OCD in remediating leaks, spills and releases.

If you have any questions or need additional information, please call.

Gandy has started the initial cleanup and will keep the OCD informed of all work.

Thanks,

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

WORK PLAN

GENERAL:

The leak site is located in Unit H, Sect. 25, Tws. 17 S., Rng. 33 E., approximately 3 miles West of Buckeye, NM. The leak occurred during drilling, all available liquid was vacuumed and area contained.

GROUNDWATER:

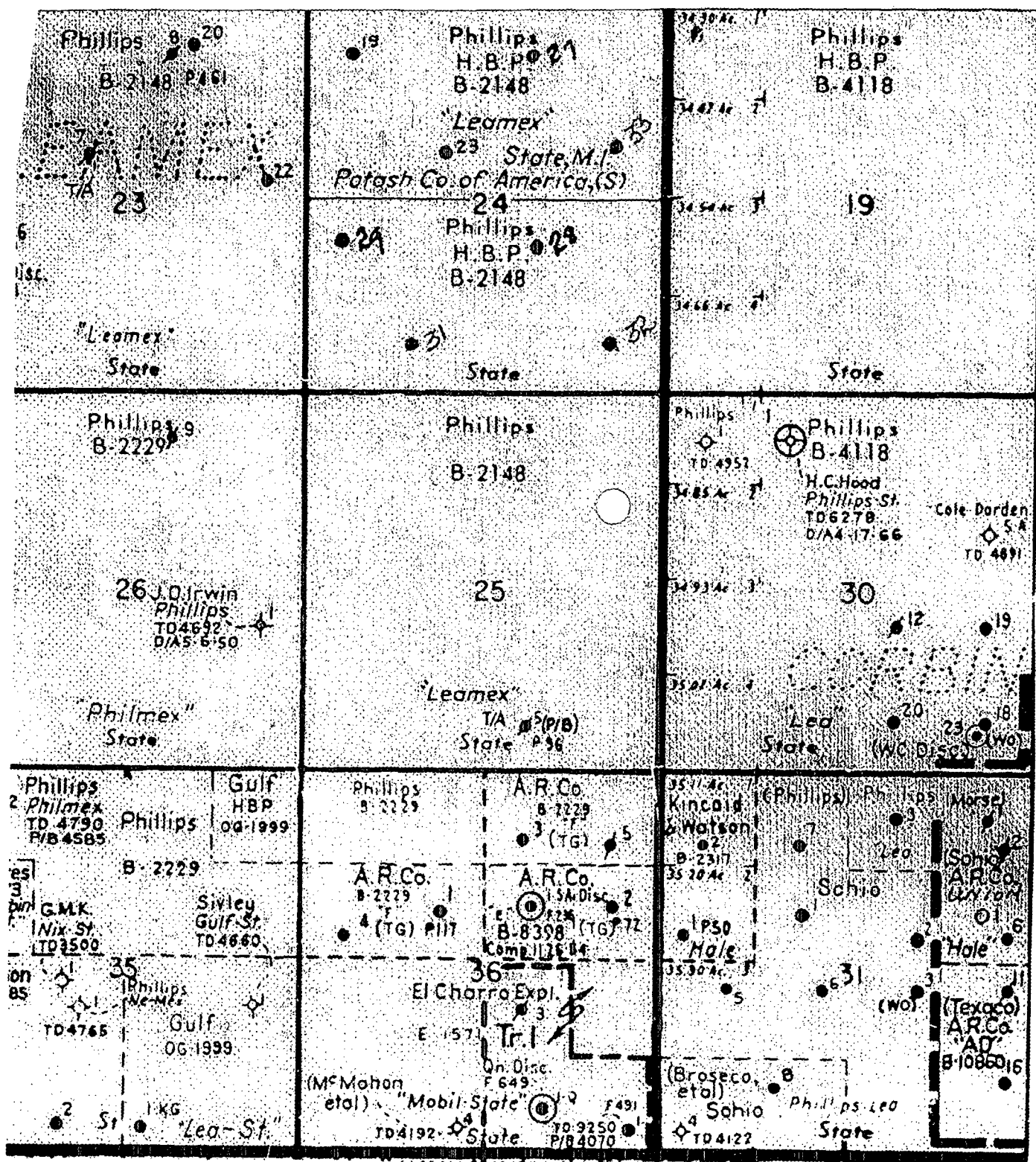
The leak occurred West of Buckeye, groundwater is at approximately 150 ft. Attached is State Engineer's water well information.

REMEDIALTION PROPOSAL:

Gandy will remediate the site based on the OCD "Guidelines for Remediation of Leaks, Spills and Releases". Given the depth of groundwater and the spill is in an old playa, our goal will be to clean up to 100 ppm TPH, Benzene and BTEX to 10 and 50 ppm respectively and 250 ppm Chloride.

It is proposed to excavate and dispose of the contaminated soil at an OCD approved landfarm, sample both bottom and sidewalls until we meet the OCD guidelines. After all contamination has been removed and after OCD approves, the excavated area will be backfilled with clean soil and brought back to surface grade. The site will then be reseeded with material native to the area. Final closure report will be filed with analytical and photos as OCD requires.

A complete report will be sent in the mail and to Hobbs OCD.



District I *
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|------------------------|---------------|------------------------------|
| Name of Company | Patterson Petroleum LP | Contact | Nolan Van Roeder |
| Address | PO Box 1416 Snyder TX | Telephone No. | 325-573-1938 or 325-207-2915 |
| Facility Name | Gen. Montcalm 25 ST #1 | Facility Type | Gas Well - Drilling |
| Surface Owner | State | Mineral Owner | State |
| | | Lease No. | 35602 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| H | 25 | 17 | 33 | 1980 | N | 1260 | E | Lea |

Latitude 36° 48' 26" Longitude 103° 34' 41"

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|----------------------------|------------------|----------|
| Type of Release | Condensate | Volume of Release | 200 bbls | Volume Recovered | 170 bbls |
| Source of Release | Blow Out | Date and Hour of Occurrence | Date and Hour of Discovery | | |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Gary Wink Hobbs OCD | | |
| By Whom? | Bobby Self | Date and Hour | 8/4/06 | 10:45 am | |
| Was a Watercourse Reached? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | ± 50 bbls | | |

If a Watercourse was Impacted, Describe Fully.*

Approximately .3 Acres of Top soil in a dry playa lake bed was saturated with oil & condensate

Describe Cause of Problem and Remedial Action Taken.*

Well blew out un-controlled for ± 24 hours.

Describe Area Affected and Cleanup Action Taken.*

Caliche location and part of a dry lake playa. (Work Plan for cleanup to follow)
All fluids were immediately vacuumed up and soil will be excavated.

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: <u>Eddie Seay</u> for <u>Nolan Van Roeder</u> | OIL CONSERVATION DIVISION | |
| Printed Name: <u>Eddie Seay</u> for <u>Nolan Van Roeder</u> | Approved by District Supervisor: <u>Gary W. Wink for CWW</u> | |
| Title: <u>Agent</u> <u>Engineer</u> | Approval Date: | Expiration Date: |
| E-mail Address: <u>seay04@leaco.net</u> | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: <u>8/7/06</u> Phone: <u>325-207-2915</u> | | |

* Attach Additional Sheets If Necessary

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: Range: Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

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

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 08/10/2006

| Bsn | Tws | Rng | Sec | Zone | X | Y | Wells | (Depth Water in Feet) | | |
|-----|-----|-----|-----|------|---|---|-------|-----------------------|-----|-----|
| | | | | | | | | Min | Max | Avg |
| L | 17S | 33E | 01 | | | | 2 | 150 | 150 | 150 |
| L | 17S | 33E | 02 | | | | 4 | 151 | 168 | 158 |
| L | 17S | 33E | 03 | | | | 2 | 155 | 155 | 155 |
| L | 17S | 33E | 06 | | | | 2 | 90 | 90 | 90 |
| L | 17S | 33E | 07 | | | | 2 | 114 | 214 | 164 |
| L | 17S | 33E | 08 | | | | 2 | 173 | 173 | 173 |
| L | 17S | 33E | 09 | | | | 2 | 160 | 161 | 161 |
| L | 17S | 33E | 13 | | | | 2 | 165 | 165 | 165 |
| L | 17S | 33E | 17 | | | | 2 | 180 | 180 | 180 |
| L | 17S | 33E | 18 | | | | 2 | 188 | 188 | 188 |
| L | 17S | 33E | 20 | | | | 3 | 190 | 190 | 190 |
| L | 17S | 33E | 23 | | | | 2 | 70 | 160 | 115 |
| L | 17S | 33E | 35 | | | | 4 | 150 | 160 | 155 |

Record Count: 31