

District I  
1005 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

APR 10 2008  
OCD-ARTESIA

Form C-141  
Revised October 10, 2003

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

**Release Notification and Corrective Action**

**OPERATOR**

☒ Initial Report ☒ Final Closure

Name of Company Ray Westall	Contact Randall Harris
Address P.O. Box 4, Loco Hills, NM 88255	Telephone No. 505.677.2370
Facility Name Fore Hand Ranch No .2	Facility Type Well head

Surface Owner Lisa Odgen	Mineral Owner Ray Westall	API No. 30-015-21855
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**LOCATION OF RELEASE**

Unit Letter K	Section 15	Township 23S	Range 27E	Feet from the 1980'	North/South Line South	Feet from the 1980'	East/West Line West	County Eddy
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Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

**NATURE OF RELEASE**

Type of Release Oil & Water	Volume of Release 1/2 bbl	Volume Recovered None
Source of Release pin hole in tubing	Date and Hour of Occurrence	Date and Hour of Discovery 3/3/2008
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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.\*


Describe Cause of Problem and Remedial Action Taken.\*

Pin hole in pumping T allowing oil and water to mist in an area 10' X 10' around the well. Shut well in. Replaced pumping T.

Describe Area Affected and Cleanup Action Taken.\*

Affected area was lightly misted, the stained soil was removed.

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: 		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Randall Harris		Approved by District Supervisor: <b>DENIED</b>	
Title: Geologist		Approval Date: N/A	Expiration Date: N/A
E-mail Address: rharrisnm@yahoo.com		Conditions of Approval: SEE ATTACHED Attached <input checked="" type="checkbox"/>	
Date: 04/07/2008 Phone: 505.677.2370			

\* Attach Additional Sheets If Necessary

5050809349324

2RP-165

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



*CERTIFIED MAIL—Return Receipt Requested*  
7007 3020 0000 3029 7163

May 2, 2008

Ray Westall  
Attn: Mr. Randall Harris  
PO Box 4  
Loco Hills, NM 88255

RE: Final Report C-141 Received by NMOCD District 2 April 10, 2008  
Forehand 2 L-15-23S-27E Eddy County, New Mexico

Operator;

The New Mexico Oil Conservation Division District 2 office (OCD) is in receipt of an Initial/Final Report C-141 (report) requesting closure to the incident for a produced fluids release that was discovered March 3, 2008.

The report states ½ barrel of oil and water were released and no volume was recovered. The report also states there was a "Pin hole in pumping T allowing oil and water to mist in an area 10' X 10' around the well. Shut well in. Replacing pumping T. Affected area was lightly misted, the stained soil was removed."

A site inspection was conducted on March 14, 2008 at the above referenced site. This inspection revealed duct tape was applied to the pumping tee. At that time, no misting was observed. Free fluids were present. It appeared fluids were emanating from around the well head. The fluids were actively bubbling which caused concern regarding casing integrity. Additionally, there was a path of fluids flowing from the well head area towards the east and north. Hydrocarbon and chloride stained soils were observed on the northwest area of the pump jack.

A subsequent inspection was conducted March 18, 2008. This inspection revealed no free fluids around the wellhead. The duct tape was still applied to the pumping tee. Hydrocarbon and chloride staining was evident around the wellhead. Stained soils were also present to the east and north of the wellhead and to the northwest of the pump jack.

OCD sent a letter to operator dated April 1, 2008 (certified letter number 7007 3020 0000 6292 9001) requesting the following:

1. Submit C-103 of intention to perform remedial work by April 7, 2008
2. Submit C-103 Subsequent report of remedial work by May 2, 2008
3. Submit Initial Report C-141 by April 23, 2008
4. Remediation work plan by May 2, 2008

A third inspection was conducted April 23, 2008. The pumping tee had been replaced. Visible staining is present at and around the well head and northwest of the pump jack.

On a April 29, 2008 phone call with Mr. Randall Harris, Mr. Harris stated there was a pin hole in the casing approximately six inches down. Mr. Harris stated he had submitted a C-141 with the casing information. However, OCD is not in receipt of said form C-141 presenting casing information.



The requested C-103 Sundry Notices have not been received. Disposal information such as volume of soil removed or disposal facility was not made available. Soil delineation data or soil analyses reports were not submitted. No subsequent report of remedial work and/or corrective actions taken has been received. Therefore the submitted Final Report C-141 requesting closure to the incident is denied.

OCD rules and regulations require prompt reporting of intent to perform remedial work on any possible defective casing. Additionally, OCD rules and regulations require proper reporting of releases, site investigation and clean-up of those releases. As such, all actions for this incident shall be completed in accordance with the rules and regulations. Please submit the following:

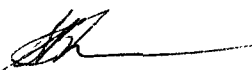
1. Resubmit an Initial Report C-141 no later than May 9, 2008.
2. Submit detailed, written documentation as to actions taken in response to possible defective casing no later than May 9, 2008.
3. Areas of contamination are to be delineated for vertical and horizontal extent and type of contaminants present. Delineation operations are to commence no later than May 15, 2008.
4. As warranted, a remediation work plan is to be formulated based on the site ranking, delineation results, and submitted to the OCD for review. This remediation work plan is to be submitted to the OCD no later than May 30, 2008.
5. The OCD is to be notified 48 hours prior to obtaining samples where analyses of such samples are to be submitted to the OCD.
6. Results of analytical data obtained through sampling shall be forwarded to OCD for approval **prior** to any backfilling activities.
7. Depending upon the contractual obligation, the operator may be required to obtain like approval from the surface owner. Should like approval be required, it is the operator responsibility per the contractual obligation to obtain this approval.

Please be advised that NMOCD acceptance of any and all documentation 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 documentation does not relieve the operator of responsibility for compliance with any other federal, state, local laws and /or regulations.

In the event that a satisfactory response is not received to this letter of direction by the dates indicated, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of CIVIL PENALTIES for your violation(s) of OCD rules.

Thank you for your attention to this matter. If I can be of further assistance, please contact me.

Respectfully,



Sherry Bonham  
NMOCD District 2  
1301 W Grand Avenue  
575.748.1283 Ext. 109  
sherry.bonham@state.nm.us