Gulf Oil Company-U.S.

HOBBS PRODUCTION AREA

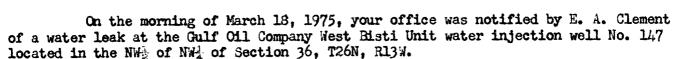
C. D. Borland

March 21, 1975

P. O. Box 670 Hobbs, New Mexico 88240

Mr. P. T. McGrath U. S. Dept. of Interior Geol. Survey Branch of Oil and Gas Operations P. O. Box 959 Farmington, NM 87401

Dear Mr. McGrath:



This leak was discovered late in the afternoon of March 17, 1975 and was due to the freezing and rupturing of a one-inch line at the wellhead. The valve on the water supply line was immediately closed, stopping the water flow.

It is estimated that 75 barrels of water flowed out on the ground around the wellhead, forming a pond of approximately 2500 square feet. The well is in an area of sand dunes, and the water did not flow into a gulley or wash. There is no oil contained in this water, but the water lines do contain deposits of iron sulphide which stained the ground around the pond. The water soaked into the sand overnight, leaving the black iron sulphide residue on the surface.

All of this residue was removed with a back hoe and buried. The site was back-dragged and leveled and returned to its original state and is completely clean of any foreign matter.

Yours very truly,

RIGINAL SIGNED BY

C. D. BORLAND

EAC: ec

cc: Mr. Emory Arnold
N. M. Oil Conservation Commission
1000 Rio Brazos Road
Aztec, NM 87410



