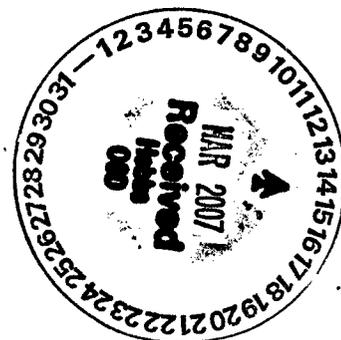


RP
1161

**WARREN AMERICAN OIL
HOBBS UNIT #4
Unit N, Sect. 18, T. 20 S., R. 37 E.
GPS: 32 34' 04" N 103 17' 32" W**

FINAL REPORT



**Prepared by
Eddie Seay Consulting
March 2007**

March 13, 2007

NMOCD Environmental
ATTN: Chris Williams
1625 N. French Drive
Hobbs, NM 88240

RE: Warren American Oil Co.
Hobbs Unit #4
Spill RP #1161

Mr. Williams:

Warren American has completed the backfilling and leveling of the spill around well #4 as approved. All material was hauled to an OCD approved facility and clean soil from the Cooper Ranch was used to backfill. This should finalize the work at this project.

If you have any questions, please call.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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

cc: Warren American



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

2/19/2007

Warren American Oil
C/O Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242

Re: Hobbs Unit #4

Dear Mr. Seay:

New Mexico Oil Conservation Division (OCD) personnel reviewed the closure report submitted by Warren American Oil (WAO) for the site referenced above. The closure is hereby approved according to information provided.

Please be advised that OCD approval does not relieve WAO of liability should operations result in contamination of surface water, groundwater, or the environment. In addition, OCD approval does not relieve WAO of responsibility for compliance with other federal, state or local laws and or regulations.

If you have any questions or need assistance please write or call: 505-393-6161 ext. 102, or e-mail chris.williams@state.nm.us.

Sincerely,

Chris Williams
NMOCD District 1 Supervisor

RP# 1161

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 <u>Wagon American Oil</u>	Contact <u>Doug Norton</u>
Address <u>6585 South Yale Av. Suite 500</u>	Telephone No. <u>918.481.7981</u>
Facility Name <u>Hole Unit #4</u>	Facility Type <u>Pumping Well</u>
Surface Owner <u>J. Cooper</u>	Mineral Owner <u>Wagon American</u> Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<u>N</u>	<u>18</u>	<u>20</u>	<u>37</u>					<u>lea</u>

Latitude 103° 17' 33" Longitude 32° 24' 04"

NATURE OF RELEASE

Type of Release <u>Oil</u>	Volume of Release <u>35565</u>	Volume Recovered <u>NONE</u>
Source of Release <u>leak at well head</u>	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? <u>Maxie Brown</u>	
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.*
Hole in flow line near well head

Describe Area Affected and Cleanup Action Taken.*
Area affected approx 10x50. All contaminated soil was excavated and hauled to a OCD approved facility. New soil replaced. Final report

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 W Seay</u>	OIL CONSERVATION DIVISION	
Printed Name: <u>Eddie W Seay</u>	Approved by District Supervisor: <u>EnviroENER</u>	
Title: <u>Agent</u>	Approval Date: <u>3.15.07</u>	Expiration Date:
E-mail Address: <u>seay04@leaco.net</u>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>3/13/07</u>	Phone: <u>505-392-2236</u>	

* Attach Additional Sheets If Necessary

