

August 6, 2007

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

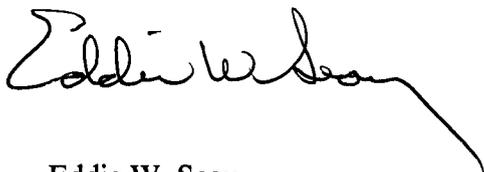
RE: Texland Petroleum
Stovall #1
Minor Spill - Final Cleanup

Mr. Williams:

Texland has completed the stuffing box leak at its Stovall #1. A total of 24 cu. yds. of contaminated soil has hauled to Sundance Disposal. The area was sampled and approved for backfilling. We have completed the remediation.

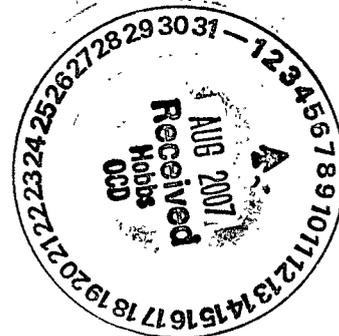
If you have any questions, please call.

Sincerely,



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

cc: Texland



RP # 1524

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>Terland Pet</u>	Contact <u>Kirk Jackson</u>
Address <u>777 Main St. Ft Worth</u>	Telephone No. <u>432-894-1461</u>
Facility Name <u>Stovall #1</u>	Facility Type <u>Pump well</u>

Surface Owner <u>Clayton Hughes</u>	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<u>H</u>	<u>30</u>	<u>16</u>	<u>38</u>	<u>1677</u>	<u>North</u>	<u>984</u>	<u>East</u>	<u>Lea</u>

Latitude _____ Longitude _____

AP # 30025 375840000

NATURE OF RELEASE

Type of Release <u>Production Fluid</u>	Volume of Release <u>3 1/2</u>	Volume Recovered <u>0</u>
Source of Release <u>Stoppin Box leak</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>3pm @ 718</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.*
Polish rod started spraying oil, Tighten up box, stop leak

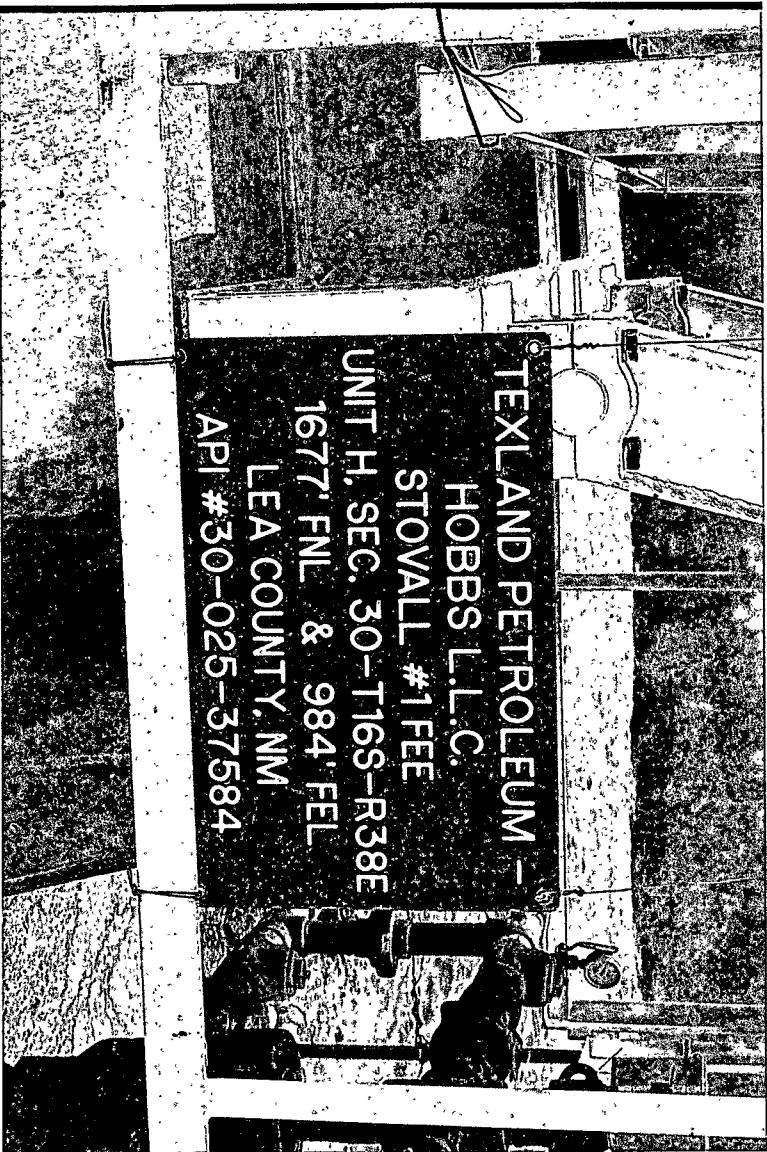
Describe Area Affected and Cleanup Action Taken.*
on location area 10x40, and spray on weeds on south side of location. (Land own was notified) will scrape heater/replace.

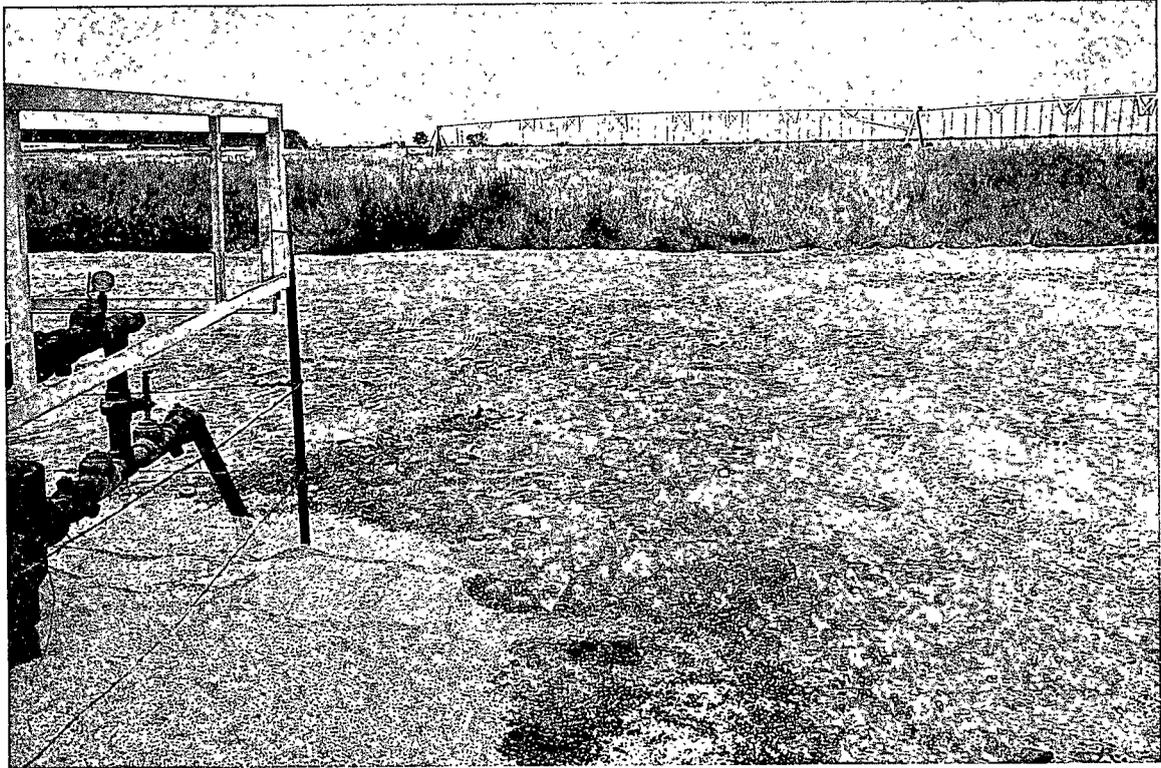
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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.

OIL CONSERVATION DIVISION

Signature: <u>Eddie W Sean</u>	Approved by District Supervisor: <u>Chris Williams</u>	
Printed Name: <u>Eddie W Sean</u>	Approval Date: <u>[Signature]</u>	Expiration Date:
Title: <u>Agent</u>	Conditions of Approval:	
E-mail Address: <u>sean04@leas.net</u>	Attached <input type="checkbox"/>	
Date: <u>7/19/07</u>	Phone: <u>392-2236</u>	

* Attach Additional Sheets If Necessary







PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 EDDIE SEAY CONSULTING
 ATTN: EDDIE SEAY
 601 W. ILLINOIS
 HOBBS, NM 88242
 FAX TO: (505) 392-6949

Receiving Date: 07/25/07
 Reporting Date: 07/27/07
 Project Owner: TEXLAND PET.
 Project Name: TEXLAND STOVALL #1
 Project Location: SE LOVINGTON, NM

Sampling Date: 07/24/07
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AB
 Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl* (mg/Kg)
ANALYSIS DATE		07/26/07	07/26/07	07/25/07
H12974-1	STOVALL #1	<10.0	<10.0	80
Quality Control		739	753	490
True Value QC		800	800	500
% Recovery		92.4	94.2	98.0
Relative Percent Difference		2.1	1.9	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB

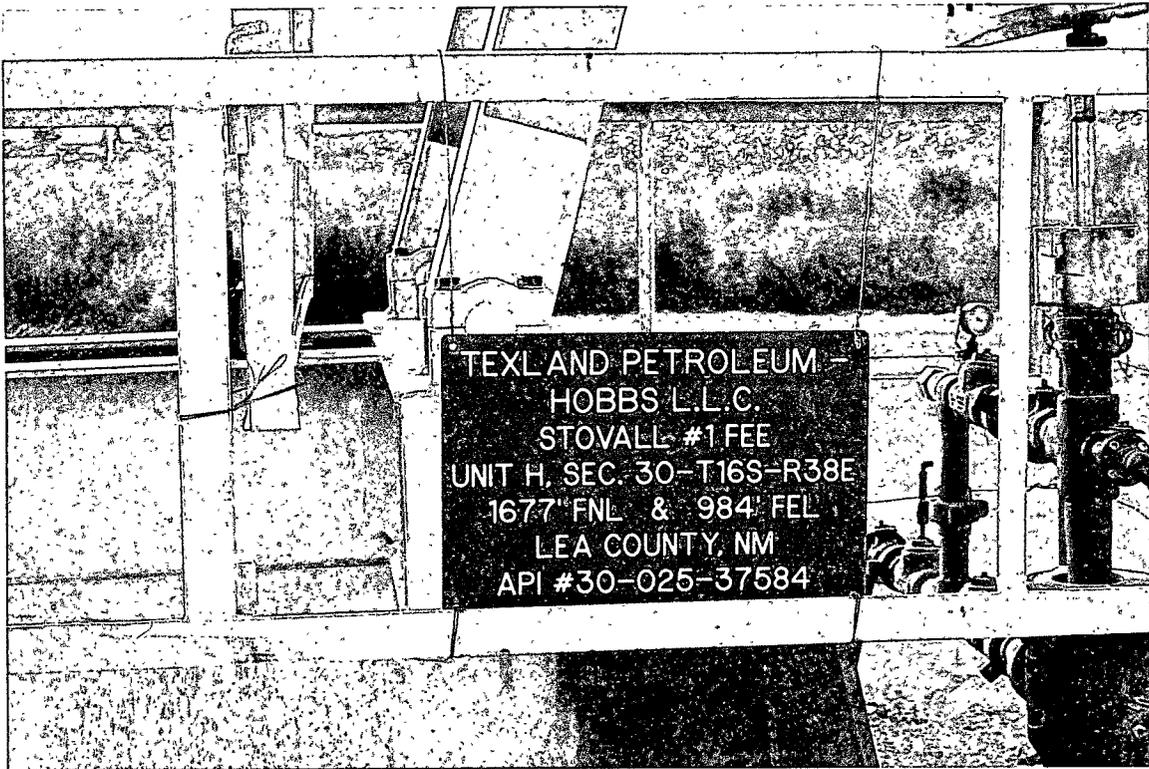
*Analysis performed on a 1:4 w:v aqueous extract.


 Chemist


 Date

H12974 SEAY

PLEASE NOTE Liability and Damages Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise



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Name of Company <i>Texland Pet</i>	Contact <i>Kirk Jackson</i>
Address <i>777 Main St Ft Worth</i>	Telephone No. <i>432 894 1461</i>
Facility Name <i>Storall #1</i>	Facility Type <i>Pup well</i>
Surface Owner <i>Amher</i>	Mineral Owner <i>Texland</i>
Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>H</i>	<i>30</i>	<i>16</i>	<i>38</i>	<i>1679</i>	<i>North</i>	<i>984</i>	<i>East</i>	<i>Lea</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>Production Fluids</i>	Volume of Release <i>31/2</i>	Volume Recovered <i>0</i>
Source of Release <i>Stuffin Box</i>	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? <i>Filed C-141 7/18</i>	
By Whom? <i>Eddie Sear</i>	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.*

Polish rod stalled spawning oil. Tighten up bolts and lines. Stopped leak.

Describe Area Affected and Cleanup Action Taken.*

10x40 area on location, spray on weeds: Excavate location and haul to Sandance. test soil OK by Chris. Replace clean soil. wash down weeds per rancher.

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: <i>Eddie W Sear</i>		OIL CONSERVATION DIVISION	
Printed Name: <i>Eddie W Sear</i>		Approved by District Supervisor: <i>Chris Williams</i>	
Title: <i>Agent</i>		Approval Date: <i>8/8/07</i>	Expiration Date: <i>8/8/07</i>
E-mail Address: <i>sear04@leaco.net</i>		Conditions of Approval:	
Date: <i>8/16/07</i>	Phone: <i>392-2236</i>	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary