



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

02-Feb-06

BASS ENTERPRISES PRODUCTION CO

PO BOX 2760

MIDLAND TX 79702

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

POKER LAKE UNIT No.083

D-30-24S-31E

30-015-27753-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/01/2006	Routine/Periodic Violations Surface Leaks/Spills	Chris Beadle	Yes	No	2/15/2006	iCLB0603248726

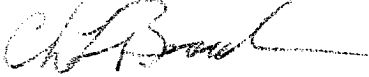
Comments on Inspection: Contamination on location has been "dragged" spreading contamination across location. Split-pipe drag remains on location. Soils at wellhead remain contaminated to levels requiring remediation. Samples must be taken of areas where contamination has been spread if contamination is intended to be left in place. Remediation Action Levels based on site ranking must be met to leave contamination in place.

Remediation is required. Submit remediation work plan to OCD District 2 Office. Remediation work plan must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other contaminants of concern as applicable. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide. This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd, under Publications> Environmental Handbook> Miscellaneous Guidelines> Remediation of Leaks, Spills and Releases.

OCD approved remediation must begin on this release no later than February 26, 2006. Provide NMOCD District 2 Office with the remediation work plan prior to February 15, 2006. Notify NMOCD District 2 Office 48 hours prior to any remediation work or prior to taking samples where results of the samples may be submitted to the OCD.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, 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 to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

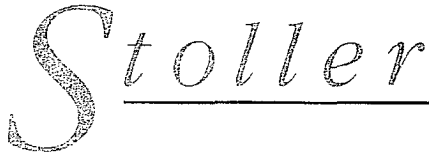
Sincerely,



Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.



established 1959

February 15, 2006

Chris Beadle
New Mexico EMNRD
Oil Conservation Division
1301 W. Grand
Artesia, NM 88210

RE: REMEDIATION WORK PLAN – POKER LAKE UNIT 083

Dear Mr. Beadle,

After review and subsequent approval, Mike Waygood of Bass requested that I transmit the above referenced document to you, on his behalf, for your review and approval.

Please contact me or Mike Waygood if you have any questions.

A handwritten signature in black ink, appearing to read 'D. George'.

Donald L. George
Assistant Vice President
S.M. Stoller Corporation

Cc:
Mike Waygood, Bass Enterprises
File

Remediation Work Plan

Poker Lake Unit # 083

Property / Well / Facility Name

Bass Enterprises Production Company

Company / Operator Name

Unknown

Date of Contamination Release / Spill

February 15, 2006

Date Plan Submitted to NMOCD District 2 Office
for Review / Approval

Date Plan Approved

Date Remediation / Site Closure Approved

Remediation Work Plan

Section 1: Location Identification

Location Name: Poker Lake Unit # 083

API: 30-015-27753

Section 30 Township 24 S Range 31 E

Surface Owner: BLM

Was Surface Owner Contacted? X Yes ___ No

Surface Owner Required Actions? Unknown

Describe: No specific required actions have been given to Bass from the surface owner at this time.

Site Characteristics: The area is primarily sandy with sparse vegetation.

Contact Information

	<i>Name</i>	<i>Phone</i>	<i>Fax</i>	<i>e-mail</i>
Operator Representative	Mike Waygood	505-361-8060	505-887-7473	mgwaygood@wtdfields.com
Contractor Representative	Donald L. George	505-885-0172	505-885-0776	dgeorge@stoller.com
Field Representative	Mike Waygood	505-361-8060	505-887-7473	mgwaygood@wtdfields.com

Section 2: Release Information

Released Material

Oil	2	BBL with <u>0</u>	BBL of liquid recovered
Produced Water	0	BBL with	BBL of liquid recovered
Condensate	0	BBL with	BBL of liquid recovered
Natural Gas	0	MCF	
Other (Describe)			
_____	_____	BBL with _____	BBL of liquid recovered
_____	_____	BBL with _____	BBL of liquid recovered

Source of Release: Well head

Suspected Cause of Release: Stuffing Box Leaked

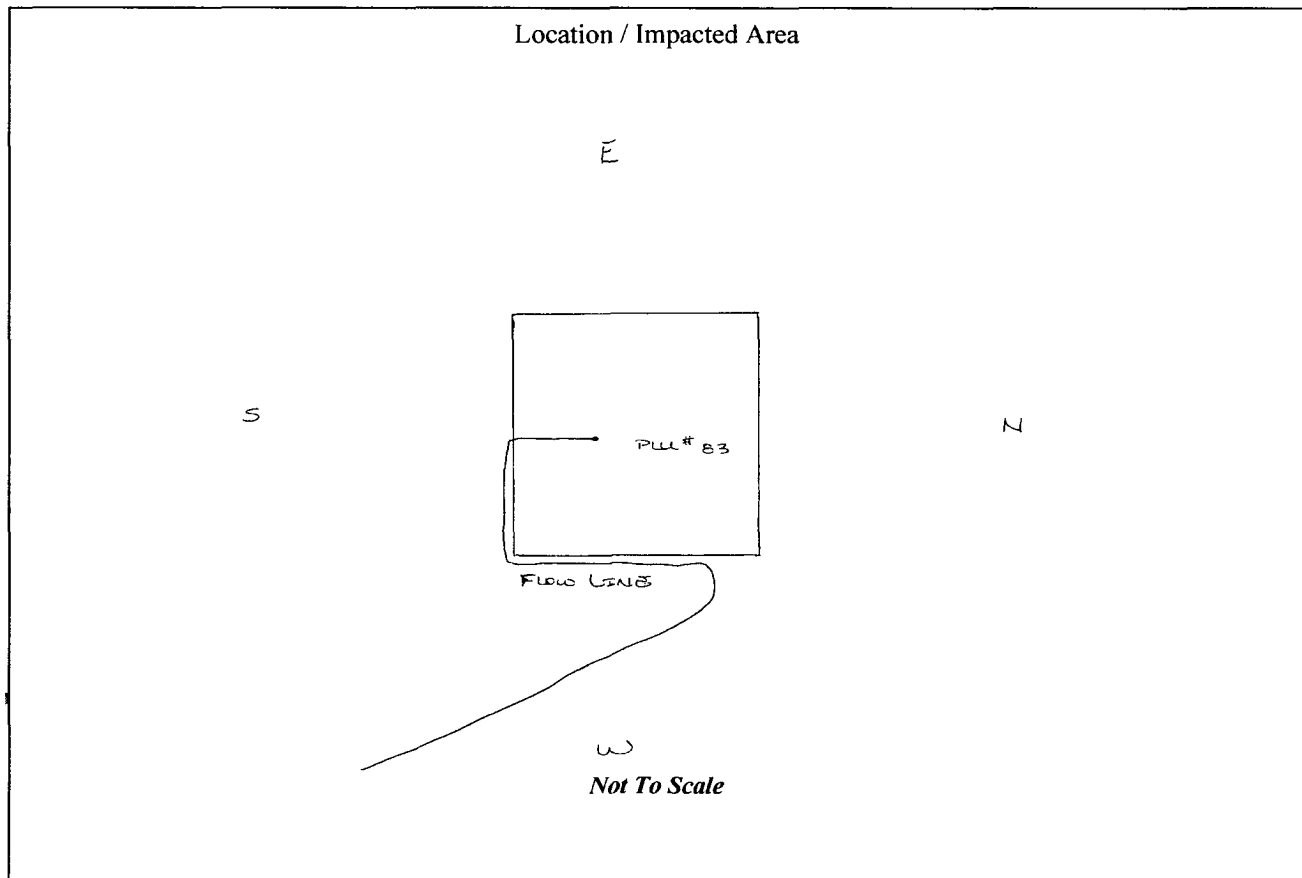
Steps taken to prevent future Release: Repack Stuffing Box

Remediation Work Plan

Section 3: Contamination Impact Information

SITE RANKING SCORE				DEPTH TO GROUND WATER (GW)		
$GW + WPA + SWB = 0 + 0 + 0 = 0$				Less Than 50 feet	50-99 feet	Greater Than 100 feet
				0	10	0
Remediation Action Levels				WELLHEAD PROTECTION AREA (WPA)		
Total Ranking Score				Less Than 1000 feet from a water source, or, Less Than 200 feet from private domestic water source		
	>19	10 - 19	0 - 9	Yes		No
Benzene (ppm)	10	10	10			
BTEX (ppm)	50	50	50			
TPH (ppm)	100	1000	5000	20		0
Contaminated soils must be remediated until the contaminants are to the parts per million listed above.				DISTANCE TO NEAREST SURFACE WATER BODY (SWB)		
Other contaminants, not listed, must be remediated to WQCC, EPA, RCRA or other standards for those specific contaminants.				Less Than 200 Horizontal Feet	200-1000 Horizontal Feet	Greater Than 1000 Horizontal Feet
				20	10	0

Percentage of impacted soils that are Highly Contaminated/Saturated or Unsaturated Contaminated: Unknown at this time.



Remediation Work Plan

Section 4a: Remediation Work To Be Conducted

Highly Contaminated/Saturated Soils:

Highly contaminated soils present around the wellhead will be removed by excavation. Highly Contaminated Soils removed from the location will be documented as to contaminants in the soils, contaminant levels, method of determining contaminant levels and disposition of the soils. All excavated material will be removed from the site and transported to an NMOCD approved facility. Following removal of highly contaminated soils, soil samples will be collected from the sidewalls and bottom of the excavation to determine the remaining levels of soil contaminants. Samples will be collected using the methods described in the *Guidelines for Remediation of Leaks, Spills, and Releases*, to test for TPH, BTEX, and chlorides. Excavations will be backfilled following remediation of highly contaminated soils as appropriate to prevent accident or injury to personnel or equipment. If ground water is encountered during the excavation or remediation of the impacted soils, a sample will be obtained to assess the potential impact on ground water quality and the NMOCD District 2 Office will be notified immediately.

Section 4b: Remediation Work To Be Conducted

Unsaturated Contaminated Soils:

Unsaturated Contaminated soils are defined as soils which are not highly contaminated/saturated but contain benzene, toluene, ethyl benzene and xylenes (BTEX) and total petroleum hydrocarbons (TPH) or other potential fresh water contaminants (e.g. chlorides) unique to the leak, spill or release. Unsaturated Contaminated Soils will be excavated and hauled off the premises to an NMOCD approved facility. Samples of the soils on the bottom and walls of the excavated areas will be taken, using the sample methods described in the *Guidelines for Remediation of Leaks, Spills, and Releases*, to test for TPH, BTEX, and chlorides. Excavated areas will be backfilled with replacement fill as appropriate. Field screening samples will be collected from multiple locations around the area where the contaminated material was “dragged” or spread across the site. The analysis of these samples will help us determine the extent of remediation needed regarding the spread material. Spread material will be cleaned up to practicable limits and no material exceeding remediation action levels will remain onsite. If groundwater is encountered during the excavation or remediation of the impacted soils, a sample will be obtained to assess the potential impact on groundwater quality and the NMOCD District 2 Office will be notified immediately.

The following is a general schedule, subject to change, of work to be conducted. NMOCD District 2 Office will be notified by phone at least 48 hours prior to commencement of remediation operations and 48 hours prior to samples being obtained where analysis of the samples are to be submitted to the NMOCD. Notification of any changes to this general schedule will be given to NMOCD as soon as practicable:

- Headspace samples will be collected to determine the vertical and lateral extent of contaminated material spread across the site
- Contaminated material will be excavated to the extent practicable to achieve remediation action levels
- Contaminated material will be transported to an off-site NMOCD approved facility
- Confirmation samples of soil on the bottom and sidewalls of the excavated areas will be collected and analyzed.
- Excavated areas will be backfilled as appropriate.

Remediation Work Plan

Section 5: Termination of Remediation / Site Closure

Once remedial actions have reduced the residual contaminant concentrations below the recommended soil remediation action level the NMOCD District 2 Office will be notified. Confirmation soil samples will be collected to confirm final contaminant concentration levels. All field screening and laboratory analytical results will be reported to OCD.

After obtaining approval for site closure from the NMOCD District 2 Office the area of the release will receive final backfilling, grading, contouring, and revegetating as necessary.

Upon completion of all closure activities a final report form C-141 summarizing all actions taken to mitigate environmental damage related to the leak, spill or release will be provided to NMOCD for approval and final closure and termination of remediation activities at this site.

Work Plan Approved By

Date

Title



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

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Mark E. Fesmire, P.E.

Director

Oil Conservation Division

BASS ENTERPRISES PRODUCTION COMPANY

901 North Canal, Suite 704

Carlsbad, NM 88220

February 24, 2006

REMEDIATION WORK PLAN CONDITIONS OF APPROVAL - POKER LAKE UNIT 83

The NMOCD District 2 Office has reviewed the remediation work plan submitted by S.M Stoller Corporation on February 15, 2006 for the release at the Poker Lake Unit 83 (30-015-27753). Your proposal to excavate and remove the contaminated soils from the location is approved subject to the following conditions:

- Contaminated soils must be remediated by excavating to the maximum depth and horizontal extent practicable until a representative sample from the walls and bottom of the excavation is below the contaminant specific remediation level for benzene, toluene, ethylbenzene and xylenes (BTEX) and total petroleum hydrocarbons (TPH) or other potential fresh water contaminants unique to the leak, spill or release (e.g. chlorides). Upon reaching this limit samples should be taken from the walls and bottom of the excavation to determine the remaining levels of soil contaminants. All soils removed from the location must be documented as to contaminants in the soils, contaminant levels, method of determining contaminant levels and disposition of the soils (OCD approved landfarm, centralized site, etc.).
- Chlorides must be remediated to naturally occurring background concentrations for the local area. Samples taken to determine this background level should be taken in undisturbed areas close to the location. If soil action levels cannot practicably be attained, a detailed evaluation of risk may be performed and provided in writing to OCD for approval showing that the remaining contaminants will not pose a threat to present or foreseeable beneficial use of fresh water, public health and the environment.
- If alternate methods of remediation are to be used, approval from the OCD District 2 Office is required prior to beginning any work using these alternate methods. A specific proposal outlining the alternate methods must be submitted in writing.
- If ground water is encountered during the soil/waste characterization, excavation or remediation of the impacted soils, a sample should be obtained to assess the incidents potential impact on ground water quality and the OCD District 2 Office should be notified immediately.
- Notify OCD District 2 Office 24 hours prior to commencement of work by Bass Enterprises or contractors, sub-contractors or affiliated companies that is intended to excavate, wash, move or disturb (such as in tilling, blading, etc.) soils or contaminated materials for the purpose of remediation, or hauling any soils or contaminated materials into or out of the location covered under this remediation work plan. This notification is to ensure NMOCD personnel are able to monitor compliance with approved remediation work plans as required by the New Mexico Administrative Code. Therefore, if a reasonable schedule of work cannot be provided then a separate notification that work is to resume is required if work ceases at the location for more than 5 days.

Beadle, Christopher, EMNRD

From: Beadle, Christopher, EMNRD
Sent: Tuesday, March 07, 2006 7:07 AM
To: 'Harry Bolton'
Cc: cbox@stoller.com
Subject: RE: Bass Poker Lake No 83 and 86

Harry,

You can close both the Poker Lake 83 & 86. I will try to return your phone call sometime this morning.

/Chris Beadle
NMOCD District 2 Office
505-748-1283 x107
505-748-9720 Fax
505-626-0831 Cell

-----Original Message-----

From: Harry Bolton [mailto:hbolton@stoller.com]
Sent: Monday, March 06, 2006 7:38 PM
To: Beadle, Christopher, EMNRD
Cc: cbox@stoller.com
Subject: Bass Poker Lake No 83 and 86

Chris,

I was just informed by Ralph Rupp of Stoller that both the Poker Lake No. 83 and Poker Lake 86 units have been remediated and the excavations left open for inspection. The BLM (Jerry Blakley) inspected both sites earlier today and approved their closure. If you want to inspect these excavations or sample I will leave them open.

Both excavations were predominantly around the wellhead cellar boxes. If you do not intend to inspect or sample them please let me know ASAP as I have equipment onsite that I can use to backfill the holes.

If you have any questions do not hesitate to call Ralph's cell (303)519-2881 or me (505)885-0172.

Regards
Michael (Harry) Bolton