

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO. 30-005-60676

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

K4321

7. Lease Name or Unit Agreement Name  
ALTO STATE

8. Well No. 2

9. Pool name or Wildcat  
Und Double L Queen

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Saga Petroleum LLC

3. Address of Operator  
415 W Wall, Suite 1900  
Midland, TX 79701

4. Well Location

Unit Letter J : 1650 feet from the SOUTH line and 1650 feet from the EAST line

Section 1 Township 15S Range 29E NMPM County CHAVES

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Environmental Clean-Up after P&A ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOBS ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach diagram of proposed completion or recompletion.

Saga Petroleum LLC sold well June 30, 1999 to Circle M Pipe & Supply & Aghorn Operating, Inc. assumed operations - change of operator was never filed by Aghorn. OCD still shows Saga as operator. Well was P&A'd by BCM & Associates, Inc, P O Box 13077 Odessa, TX. 79768 (Ben Montgomery) November 2000 & BCM filed P&A Form C-103 under the name of Saga Petroleum. OCD's District II, Inspection No. iMLB02043278, Inspection Date 2-11-02 "P&A marker in place, Location has contamination from spills/leaks, etc."

Initially area was scrapped to remove impacted soil & samples collected to verify impact levels remaining in the soil. The original analytical method used to determine contamination levels was not appropriate to characterize the site for remediation under OCD regulations. The project will be restarted & remediation of site will be accomplished by blending soil on-site w/clean soil from the site until the contaminant levels are below the levels required by OCD. After completion of the remediation activities, a final report summarizing all actions taken to remediate the historic releases will be submitted for OCD approval. Enclosed are documents supporting depth to ground water, cleanup levels for the site, etc.

cc: Ben Montgomery  
915/580-7161

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bonnie Husband TITLE Production Analyst DATE 04/12/2002

Type or print name Bonnie Husband

Telephone No. (915)684-4293

(This space for State use)

APPROVED BY ma. Stelly TITLE Envil. Eng. Spec. DATE 4/24/2002

Conditions of approval, if any:

Notify O.C.D. to Witness Remediation Actions or Soil Samples Taken.

The following is a scope of work to address the violations documented in the letter dated February 12, 2002. The letter was from Mr. Mike Bratcher of the New Mexico Oil Conservation Division (OCD), District III concerning soil contamination at the plugged oil well Alto State 002. In his letter, Mr. Bratcher noted that the location has contamination from spills or leaks that needs to be addressed as part of the closure of the well.

Initially, the area was scrapped to remove the impacted soil and samples were collected to verify impact levels remaining in the soil. It has been determined that the original analytical method used to determine contamination levels was not appropriate to characterize the site for remediation under OCD regulations. It has been determined that the project will be restarted by completed a new assessment of the contaminated soils remaining in place. The analytical methods that will be used during the new assessment will be total petroleum hydrocarbon (TPH) by EPA Method Modified 8015 for GRO / DRO range hydrocarbons and BTEX by EPA Method 602/8020.

To start the new assessment research has been conducted into the area around the well site to determine the depth to groundwater. No water wells were located within the section that the well site is located. A United States Geological Survey (USGS) water well was located approximately four (4) miles east of the well site. This well is designated as USGS 325938103495301 15S.31E.21.33211 and has a NAD27 latitude of 32° 59'38" and a longitude of 103° 49'53". The total depth of the well is 318 feet below land surface and has a static water level of 290.18 feet below land surface as of the last site reading conducted in January 22, 1996.

The remediation levels that have been established for the site are based on the depth to groundwater (greater than 100 feet as determined by the USGS well) and the distance to surface water. By using the OCD publication "Guidelines for Remediation of Leaks, Spills and Releases", the site has been determined to have a ranking of zero (0) based on the depth to groundwater and the distance to surface water body. Using this ranking, the cleanup levels for the site will be as follows:

Benzene (ppm)	-	10
BTEX (ppm)	-	50
TPH (ppm)	-	5000

Remediation of site will be accomplished by blending the soil on-site with clean soil from the site until the contaminant levels are below the levels referenced above. After completion of the remediation activities, a final report summarizing all actions taken to remediate the historic releases will be submitted for OCD approval.

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Water Resources [Skip navigation](#)

Data Category:

Ground Water

Geographic Area:

United States

GO

## Ground-water levels for the Nation

Search Results -- 1 sites found

Search Criteria

Agency code = usgs

site\_no list = • 325846103435401

Save file of selected sites to local disk for future upload

**USGS 325846103435401 15S.32E.29.44441**

Lea County, New Mexico

Latitude 32°58'46", Longitude 103°43'54"

NAD27

Gage datum 4,314.80 feet above sea level

NGVD29

The depth of the well is 348 feet below land surface.

This well is completed in OGALLALA FORMATION (121OGLL)

### Output formats

Table of data

Tab-separated data

Graph of data

Reselect period

Date	Time	Water level, feet below land surface	W Status
1961-01-19		220.58	
1966-02-14		222.57	
1971-04-01		226.05	
1976-04-01		230.66	

Date	Time	Water level, feet below land surface	W Status
1981-01-28		234.46	
1986-01-09		234.60	
1990-12-05		232.81	
1996-01-09		233.28	
2001-02-16		234.76	

Questions about data [h2oteam@usgs.gov](mailto:h2oteam@usgs.gov)Feedback on this website [gs-w\\_support\\_nwisweb@usgs.gov](mailto:gs-w_support_nwisweb@usgs.gov)

Ground water for USA: Water Levels

<http://water.usgs.gov/nwis/gwlevels?>[Return to top of page](#)

Retrieved on 2002-04-11 16:45:00 EDT

Department of the Interior, U.S. Geological Survey

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57.61 1.56

[http://waterdata.usgs.gov/nwis/gwlevels?site\\_no=325846103435401&agency\\_cd=USGS...](http://waterdata.usgs.gov/nwis/gwlevels?site_no=325846103435401&agency_cd=USGS...) 04/11/2002

Water Resources [skip navigation](#)

Data Category:

Ground Water

Geographic Area:

United States

GO

## Ground-water levels for the Nation

Search Results -- 1 sites found

Search Criteria

Agency code = usgs

site\_no list = • 325938103495301

Save file of selected sites to local disk for future upload

### USGS 325938103495301 15S.31E.21.33211

Chaves County, New Mexico

Latitude 32°59'38", Longitude 103°49'53"

NAD27

Gage datum 4,414.00 feet above sea level

NGVD29

The depth of the well is 318 feet below land surface.

This well is completed in OGALLALA FORMATION (121OGLL)

#### Output formats

Table of data

Tab-separated data

Graph of data

Reselect period

Date	Time	Water level, feet below land surface	W Status
1961-03-21		293.00	P
1966-02-16		290.59	

Date	Time	Water level, feet below land surface	W Status
1971-03-30		289.21	
1981-01-29		289.53	
1986-01-08		289.64	
1996-01-22		290.18	

Questions about data [h2oteam@usgs.gov](mailto:h2oteam@usgs.gov)Feedback on this website [w\\_support\\_nwisweb@usgs.gov](mailto:w_support_nwisweb@usgs.gov)

Ground water for USA: Water Levels

<http://water.usgs.gov/nwis/gwlevels?>[Return to top of page](#)

Retrieved on 2002-04-11 16:51:39 EDT

Department of the Interior, U.S. Geological Survey

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245 1.65

## FAX COVER SHEET

BCM & Associates, Inc.  
P. O. Box 13077  
Odessa, Texas 79768-3077  
915-580-7161  
915-580-8554 fax

<b>SEND TO</b> Company name <i>SAGA Pet.</i>	<b>From</b> BCM & Associates, Inc.
Attention <i>Bonnie Hubbard</i>	Date <i>4-12-02</i>
Office location	Office location
Fax number <i>684-0829</i>	Phone number <i>915-556-6867</i>

☐ Urgent ☐ Reply ASAP ☐ Please comment ☐ Please review ☒ For your information

Total pages, including cover: 5

## COMMENTS

*Bonnie,*  
*Here is an interim report for Alto State.*  
*Mike Stubblefield will be on vacation next week.*  
*Please fill out CIO3 report with intentions (last*  
*paragraph on page one) and mail so he will have*  
*it next when he returns. I would attach copies*  
*of all these pages also.*

*Ben.*

30-005-60674

cc: Tommy, Joe, Chuck

2-14-02

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Carol Leach**  
Cabinet Secretary

Well sold to Aghorn 10/99 & BCM P&A'd in name of Saga -  
No Change of Operator filed w/OCD - Well **Lori Wrotenbery**  
P&A'd 11/2000 (copy report attached) Director  
See notes below - How do you want this Handled? **Oil Conservation Division**

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

12-Feb-02

**SAGA PETROLEUM LIMITED LIABILITY CO.**  
415 W WALL STE 1900  
MIDLAND, TX 79701-



Dear Operator:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. 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 below 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.

Please notify the proper district office of the Division of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.  
Please be advised that failure to comply with this directive will result in an application for an order to Show Cause why the Bond should not be forfeited, the well plugged and civil penalties assessed.

## INSPECTION DETAIL SECTION

**ALTO STATE 002**

**J-1-15S-29E**

**30-005-60676-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/11/2002	Routine/Periodic	Mike Bratcher	Yes	No	3/12/2002	iMLB02043278

**Comments on Inspection:** P&A marker in place. Location has contamination from spills/leaks and needs testing by environmental dept. before release.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infra-structure of the oil and gas industry.

Sincerely,

Oil Conservation Division, District II

2-14-02  
for AGHORN  
550082

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.

11:10a

Be

T. Montgomery

580-554

p. 2

-00 07:01 AM

LA-HOBBS-NM

000+3

P. 02

Oil & Gas  
Department  
District Office

DISTRICT  
P.O. Box 1080, Hobbs, NM 88240

DISTRICT  
P.O. Box 1080, Artesia, NM 88210

DISTRICT  
P.O. Box 1080, Lordsburg, NM 88420

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form O-103  
Revised 1-1-89

**SUNDARY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT FORM C-10" FOR SUCH PROPOSALS.)

1. Type of Well:  
☒ Oil ☐ Gas ☐ Other

2. Name of Operator  
Sage Petroleum

3. Address of Operator  
415 W. Wall Suite 835 Midland, TX 79701

4. Well Location  
 Well Location I 1650 Feet From The South 1650 Feet From The East

Section 1 Township 15S Range 29E NMPN Chaves County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103

11-22-2000 ① Set CIBP @ 144'. Spot 205'. CLASS "A" NEAT CMT. ON TOP. TOC 1445'  
 1-22-2000 Circ. hole w/ mud & water fluid.  
 1-22-2000 ② Spot 205'. CLASS "A" NEAT CMT. @ 1456'. WOC.  
 1-27-2000 Tagged plug @ 978'.  
 1-27-2000 ③ Circ. 305'. CLASS "A" NEAT CMT. @ 1428' TO SURF.

(Signer) certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE John D. Brooks

TITLE P&A Supervisor

DATE 1/27/2000

TYPE OR PRINT NAME

WELL (P&A) (M) (N)

(This space for State Use)

APPROVED BY

TITLE

DATE

CONSULTANT OR AUTHORITY, IF ANY