Purvis Operating Co.

3101 N. Pecos Street - 79705

Email. <u>eng@purvisop.com</u> PO Box 51990 Midland, TX 79710-1990 432-682-7346

RECEIVED

February 11, 2010

FEB 12 2010 HOBBSOCD

Mr. Larry "Buddy" Hill
District 1 Supervisor
Mr. Maxey Brown
District 1 Inspector
New Mexico Energy, Minerals
and Natural Resources Dept.
Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

Ms. Gail MacQuesten, OCD Attorney
Mr. Daniel Sanchez
Compliance and Enforcement Manager
New Mexico Energy, Minerals
and Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Purvis Operating Co., OGRID 131559, ACO 264 Armadillo State #001, 30-025-38035 Badger State #001, 30-025-38036 Coyote State Com #001, 30-025-38037 Buzzard State #001, 30-015-36344 Segrest State Com #001, 30-015-36391

Gentlemen:

All requirements of the agreed compliance order signed December 18, 2009 by Purvis Operating Co. have been completed.

The Segrest State Com #001 and the Buzzard State #001 were both plugged and abandoned on January 22, 2010 as per approval from the District II office. Subsequent report for P&A was submitted on January 27, 2010. Therefore, these two wells should not be of anymore concern with regard to the Compliance Agreement.

Water samples were taken on the Badger State #001 on January 25, 2010. The measured depth of the well was 60 feet and there were only about 3" of water at the bottom of the hole. A thief was used to obtain a water sample. A water analysis when compared to the analysis of a producing fresh water well in the south offset section and when compared to standard drinking water show no contaminants. See attached analysis.

Water samples were attempted on the Armadillo State #001 and the Coyote State Com #001, however, the bottom of the hole was dry and no water was available for sampling. While reaming a larger hole, the cuttings must have fallen to the bottom and packed off any fresh water zone if any such zone was ever penetrated. Measured depth for the Coyote State Com #001 and the Armadillo State #001 was 36' and 46', respectively.

For the Armadillo State #001, Coyote State Com #001 and the Badger State #001, a 42" hole was reamed over the existing holes and a 36" diameter x 4 ft. tin horn was installed and cemented in place. The tin horn extends 4"-6" above ground level. Metal covers with locks were welded on top of the tin holes. These installations are ready for OCD inspection.

If there is any additional information or questions, please call.

Very truly yours,

Donnie E. Brown Petroleum Engineer

c: Mr. James Bruce PO Box 1056 Santa Fe, NM 87504

Martin Water Laboratories, Inc.

P.O. BOX 98 MIDLAND, TX. 79702 PHONE (432) 683-4521 709 W. INDIANA MIDLAND, TEXAS 79701 FAX (432) 682-8819

PHONE (432) 683-4521	RESULT OF WATER ANALYSES LABORATORY NO		210-43	
TO: Mr. Donnie Brown	SAMPLE RECEIVED		1-26-10	
PO Box 51990, Midland, TX 79710	R	RESULTS REPORTED 2-3-10		-10
COMPANY Purvis Operating Co.	LE	As I	isted	
FIELD OR POOL	LE	ASE	···	
SECTION BLOCK SURVEY	COUNTY Le	a STATE	NN	1
SOURCE OF SAMPLE AND DATE TAKEN:				
NO. 1 Badger State #1 (60' deep fre	sh water). 1-25-10	Sec 6, T15S	&R35E 660' F	South & East
	Sec 7, T15S&R35E			· · · · · · · · · · · · · · · · · · ·
NO. 3 Maximum contents for drinki	na water as recommen	ded by the Texas D	ent of Health	· · · · · · · · · · · · · · · · · · ·
		ded by the Texas B	opt. of House.	
NO. 4				
REMARKS:	and the control of th		CONTRACTOR OF THE STATE OF THE	
C	HEMICAL AND PHYSICA		- 110 A	
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F	1.0011	1.0013		
pH When Sampled	6.45	6.86		
pH When Received	427	278		
Bicarbonate as HCO ₃	421	2/0		· · · · · · · · · · · · · · · · · · ·
Supersaturation as CaCO ₃				
Undersaturation as CaCO, Total Hardness as CaCO,	380	360		
Calcium as Ca	115	107		
Magnesium as Mg	22	22		
Sodium and/or Potassium	25	2		
Sulfate as SO.	43	72	300	
Chloride as Cl	28	37	300	
Iron as Fe	0.59	0.35	0.30	
Barium as Ba	0.37	0.55	0.50	
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	662	519	1,000	
Temperature °F.				
Carbon Dioxide, Calculated	<u> </u>			
Dissolved Oxygen,				
Hydrogen Sulfide	0.0	0.0		
Resistivity, ohms/m at 77° F.	14.70	16.65		
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				Professional Profession S
Nitroto as N	120	7 7	100	
Nitrate, as N	13.8 Results Reported As Milligra	7.3	10.0	
Additional Determinations And Remarks		ertifies the above to	he true and corre	ect to the best
of his knowledge and belief.	The undersigned of	crimes me above to	be true and corre	ct to the oest
of this knowledge and benefit.				
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Form No. 3

Greg Ogden, B.S.