

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

30-05-26603

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Merit Energy	Contact	Mike Self
Address	P.O. Box 69 1000 Hills N.M. 88255	Telephone No.	505-706-4758
Facility Name	Grayburg-Jackson Unit	Facility Type	3" Poly Flowline
Surface Owner	BIM	Mineral Owner	BIM
		Lease No.	Turner B 91

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	29	17S	31E	140	FNL	1270'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produced Fluid H ₂ O & Oil	Volume of Release	12.661	Volume Recovered	0
Source of Release		Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	12-9-05	12-9-05	
By Whom?	Mike Self	M. Bratcher (OC)	P. Evans	BIM	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour	12-9-05	1:00 PM	
		IF YES, Volume Impacting the Watercourse.	N/A		

If a Watercourse was impacted, Describe Fully.*

N/A

Describe Cause of Problem and Remedial Action Taken.*

3" Poly Flowline Froze & burst. Well was shut in, line repaired.

Backhoe to loc to clean up PAD.

Describe Area Affected and Cleanup Action Taken.*

Approx 60% of the spill was contained on loc with approx 40% fencing a small ravine to the west of well-head. A small dike was built by hand to keep the fluid from spreading farther down ravine.

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:	OIL CONSERVATION DIVISION		
Printed Name: Mike Self	TIM GUM by MB		
Title: Foreman	Approved by District Supervisor:	Approval Date: 3/16/06	Expiration Date:
E-mail Address: M.Self@MeritEnergy	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 12-10-05	Phone: 505-706-4758		

* Attach Additional Sheets If Necessary

D. Boone on loc. to do Arch. survey. The contaminated soil on loc. was picked up by backhoe and hauled to C.R.I. Disposal. Upon completion of D. Boone survey and approval from BIM & O.C.D., spill to be removed by hand and hauled to C.R.I. Disposal.

30-05-26603

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30-015-26603

Release Notification and Corrective Action

NCLB 0605950057

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: Merit Energy Company	Contact: Mike Self
Address: P.O. Box 69, Loco Hills N.M., 88255	Telephone No.: 505-677-2327
Facility Name: Turner B # 91	Facility Type: Oil producer

Surface Owner: BLM	Mineral Owner: BLM	Lease No.: LC-029395-B
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LOCATION OF RELEASE

Unit Letter A	Section 29	Township 17S	Range 31E	Feet from the 140	North/South Line North	Feet from the 1270	East/West Line East	County Eddy
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Latitude 32.812144 Longitude 103.887520

NATURE OF RELEASE

Type of Release: Crude oil & produced water	Volume of Release: 12 bbls	Volume Recovered: 0 bbls
Source of Release: Circulation pump; various other stains also addressed	Date and Hour of Occurrence: 12/09/05 AM	Date and Hour of Discovery: 12/09/05 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher & Paul Evans	
By Whom? Mike Self	Date and Hour: 12/09/05 1:00 PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*

N/A

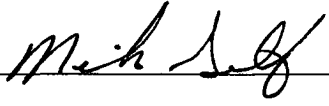
Describe Cause of Problem and Remedial Action Taken.*

Poly flow line froze and ruptured, a backhoe was utilized to scrape all affected soils on the location.

Describe Area Affected and Cleanup Action Taken.*

The affected area was approximately 60 % on the location with the remainder reaching an arroyo. The location was scraped/remediated, and the arroyo was excavated and/or blended by hand. A composite confirmation sample was collected from the arroyo and a sample was collected from the bottom hole of the excavation. The samples were analyzed for TPH and BTEX, the results are as follows: the arroyo- TPH= 2340 mg/kg and BTEX = 0.0891 mg/kg and the excavation- TPH= 4470 mg/kg and BTEX = 0.687 mg/kg.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Mike Self	TIM GUM by MB	
Title: Area Foreman	Approval Date:	Expiration Date:
E-mail Address: m.self@meritenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 4-10-06 Phone: 505-677-2327		

* Attach Additional Sheets If Necessary

Table 1

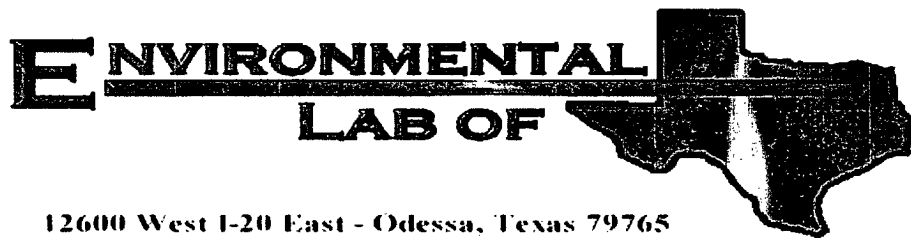
CONCENTRATIONS OF CHEMICALS OF CONCERN IN SOIL

Merit Energy
 Turner B # 91 Site
 Loco Hills, Eddy County, New Mexico
 Terracon Project Number 94057472C

All concentrations are in mg/kg

SAMPLE DATE	SAMPLE LOCATION	SAMPLE DEPTH	EPA Method 8015M				EPA Method 8021B			
			TPH C ₆ -C ₁₂	TPH C ₁₂ -C ₂₈	TPH C ₂₈ -C ₃₅	TPH C ₆ -C ₃₅	BENZENE	TOLUENE	ETHYL- BENZENE	TOTAL XYLENES
02/22/06	BH	~1.5'	3,960	7,780	1,270	13,000	3.95	74.3	82.4	178
	Comp	0-3"	15.4	1,890	438	2,340	<0.0250	0.0891	<0.0250	<0.0250
03/28/06	BH	~2'	316.0	3,650	501	4,470	<0.0250	0.0695	0.168	0.449

CONCENTRATIONS IN BOLD ARE ABOVE REGULATORY GUIDELINES



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Jim Hollon

Terracon Consulting, Inc.

24 Smith Road, Ste. 261

Midland, TX 79705

Project: Various

Project Number: 94057472

Location: Loco Hills

Lab Order Number: 6C31006

Report Date: 04/06/06

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Various
Project Number: 94057472
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
04/06/06 17:28

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TA #43 (6C31006-08) Soil									
Carbon Ranges C12-C28	1390	20.0	mg/kg dry	2	EC63117	03/31/06	04/05/06	EPA 8015M	
Carbon Ranges C28-C35	496	20.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	1890	20.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		47.2 %	70-130		"	"	"	"	S-06
<i>Surrogate: 1-Chlorooctadecane</i>		48.8 %	70-130		"	"	"	"	S-06
TB #91 (6C31006-09) Soil									
Benzene	ND	0.0250	mg/kg dry	25	ED60304	04/02/06	04/03/06	EPA 8021B	
Toluene	0.0695	0.0250	"	"	"	"	"	"	
Ethylbenzene	0.168	0.0250	"	"	"	"	"	"	
Xylene (p/m)	0.206	0.0250	"	"	"	"	"	"	
Xylene (o)	0.243	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		107 %	80-120		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		106 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	316	10.0	mg/kg dry	1	EC63117	03/31/06	04/05/06	EPA 8015M	
Carbon Ranges C12-C28	3650	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	501	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	4470	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		116 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		118 %	70-130		"	"	"	"	
TB #132 16' (6C31006-10) Soil									
Benzene	ND	0.0250	mg/kg dry	25	ED60304	04/02/06	04/03/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	0.118	0.0250	"	"	"	"	"	"	
Xylene (p/m)	0.225	0.0250	"	"	"	"	"	"	
Xylene (o)	0.132	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		96.0 %	80-120		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		84.2 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	40.3	10.0	mg/kg dry	1	EC63117	03/31/06	04/05/06	EPA 8015M	
Carbon Ranges C12-C28	244	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	32.5	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	317	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		104 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		110 %	70-130		"	"	"	"	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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