

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

MAY 21 2008

OCD-ARTESIA

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: Melrose Operating Co. Contact: Tony Beilman
Address 1000 W. Wilshire, Ste. 223, Oklahoma City, OK 73116 Telephone No.: 214 762-0830
Facility Name: Rotary State Facility Type: Battery, flowline

Surface Owner: State Mineral Owner Lease No.:

30 015 01963

LOCATION OF RELEASE

Unit Letter	Section	Township	Rang	Feet from the	North/South Line	Feet from the	East/West Line	County
G	20	18S	28E	2100	North	1980	East	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

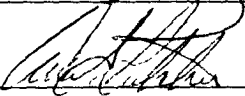
Type of Release: flowline junction	Volume of Release: n/a	Volume Recovered: n/a
Source of Release: at battery	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? ___ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? How notified: April 2, 2008 routine OCD inspection	
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.*
flowline leak, wellhead

Describe Area Affected and Cleanup Action Taken.*
As per OCD notice: soil staining east end of location; staining ran across road and slightly into pasture on north side of location.
Melrose daily report pertaining to clean up attached.

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: Ann E. Ritchie	Accepted for record NMOCD	
Title: Regulatory Agent	Approval Date: _____	Expiration Date: _____
E-mail Address: ann.ritchie@wtor.net	Conditions of Approval: <u>SEE CRITERIA</u>	Attached <input checked="" type="checkbox"/>

Date: 05-16-08 Phone: 432 684-6381

Attach Additional Sheets If Necessary

REI 0809427795

2RP-174

Melrose Operating Company**WORKOVER AND COMPLETION REPORT**

Lease: **Rotary State** Well No. **# 4** Date: **5/6/2008**
 Field: County: **Eddy** State: **NM**
 Contractor **T-N-T Services** Supervisor **G.L.Newton**

Summary: Backhoe and gang dig out around flowline junction, and location spill area, on road. Removed 2 trk loads contaminated dirt, to be onsite remediated layed out on 20mil plastic sheeting, mixed with cow manure. Dug out around wellhead removed soil, Back fill with clean earthand level.

	DAILY	CUM.		DAILY	CUM.
Daily Costs			Tubulars:		
Road & Location			Wellhead Equipment		
Rig Costs			Subsurface Equip.		
Equipment Rental			Sucker Rods		
Logging & Perforating			Tanks		
Stimulation			Pressure Vessels		
Testing			Flowlines		
Cementing			Installation/Labor		
Completion Fluids:			Fitting, Valves, etc...		
Contract Services			Meters, etc.		
Misc. Supplies			Electrical Equipment		
Engr. & Supervision					
Trucking					
Other					
Totals	0		TOTALS:	0	0

WELL RECORD

Pulled from well					Equipment	Run in well			
1"	7/8"	3/4"	5/8"	99-3/4	Sucker Rod Count	1 "	7/8"	3/4"	5/8"
Rod Subs						Rod Subs			
API Pump Size			2x1.5x10 trv/bbl		Pump	API Pump Size			
Depth					Tubing Bottom	Depth			
Length					Gas or Mud Anchor	Length			
Length		Size & No. Holes			Perforated Nipple	Length		Size & No. Holes	
Size	Type	Depth			Seating Nipple	Size	Ty p e	Depth	
Length		Joints			Tubing Count	Length		Joints	
Tubing Size		WT/Grade/Thread				Tubing Size		WT/Grade/Thread	
Type	Depth		Miscellaneous			Type	Depth		

NOTES:

	DAILY	CUM.		DAILY	CUM.
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