

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company <u>Arena Resources Inc.</u>	Contact <u>Danny M. Palmer</u>
Address <u>4212 N. Grimes Ste B-4 Hobbs NM</u>	Telephone No. <u>(505) 738-1739</u>
Facility Name <u>Seven Rivers Queen Unit</u>	Facility Type <u>Oil</u>

Surface Owner <u>State</u>	Mineral Owner <u>State</u>	Lease No. <u>32447</u>
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LOCATION OF RELEASE APH# 3025377920000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<u>F</u>	<u>27</u>	<u>22-S</u>	<u>36-E</u>	<u>1430</u>	<u>North</u>	<u>1384</u>	<u>West</u>	<u>Lea</u>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <u>Oil Spill</u>	Volume of Release <u>10 bbls</u>	Volume Recovered <u>0</u>
Source of Release <u>Seven Rivers Queen Unit #80</u>	Date and Hour of Occurrence <u>5-5-06</u>	Date and Hour of Discovery <u>5-5-06 11:00 a.m.</u>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>Larry Johnson</u>	
By Whom? <u>Danny Palmer</u>	Date and Hour <u>5-5-06 11:00 a.m.</u>	
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.*

N/A

Describe Cause of Problem and Remedial Action Taken.*

Well blew out. Pulling unit crew closed BOP. Oil sprayed pulling unit, pumping unit, location and pasture to the west approx. 75 ft.

Describe Area Affected and Cleanup Action Taken.*

Pulling unit, pumping unit, location and pasture to the west approx 75 ft. Steam cleaned pulling unit and pumping unit. Dragged location, dusted pasture.

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.

OIL CONSERVATION DIVISION

Signature: <u>Danny M. Palmer</u>	Approved by District Supervisor: <u>[Signature]</u>	
Printed Name: <u>Danny M. Palmer</u>	Approval Date: <u>5.9.06</u>	Expiration Date: _____
Title: <u>Production Supervisor</u>	Conditions of Approval:	
E-mail Address:	Attached <input type="checkbox"/>	
Date: <u>5-8-06</u>	Phone: <u>(505) 738-1739</u>	

* Attach Additional Sheets If Necessary

Incident - nPAC0612952987
Application - nPAC0612953179