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. Sti Francis Dr., Santa Fe, NM.87505

Energy Minerals and Natural Resources DEC 16 2014 Conservation Division

1220 South St. Francis Dr.

Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

RECEIVED Santa Fe, NM 87505 Release Notification and Corrective Action

OPERATOR Initial Report Final Report Name of Company Southern Union Gas Services, Ltd. Contact Crystal Callaway Address 801 S. Loop 464, Monahans, TX, 79756 Telephone No. (817) 302-9407 Facility Name: Trunk "O" Line-(RP-2612) Facility Type Gathering Pipeline Surface Owner Dasco Land Corp. Mineral Owner: Lease No. API#30.025.38822.00.00 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County . J 33 215 36E Lea Latitude 32 25.808 Longitude 103 16.221 NATURE OF RELEASE Type of Release: Mixture of crude oil/produced water Volume of Release 126 barrels Volume Recovered 106 barrels Source of Release: Leak on 30" pipeline Date and Hour of Occurrence Date and Hour of Discovery 9/17/2010 @ approx. 9:30 am 9/17/2010 Was Immediate Notice Given? If YES, To Whom? ☐ Yes No ☐ Not Required D.L. Gonzales Date and Hour: 9/18/2010 at 5:00-pm-By Whom? Rose Slade Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes ⊠ Nö If a Watercourse was Impacted, Describe Fully.** Describe Cause of Problem and Remedial Action Taken: The release was caused by internal corrosion of the 30% steel pipeline. A temporary clamp was utilized to mitigate the release during the initial release response. Following initial response activities (recovering liquids with a vacuum truck) the line will be replaced at a later date. Describe Area Affected and Cleanup Action Taken. The area affected was approximately 20x30 feet in width and length and approximately 10 feet in depth. An environmental consultant team will remediate the site per NMOCD regulatory guidelines. Soil samples collected during the October 26, 2011, sampling event indicated concentrations of benzene, BTEX, TPH and chloride were less than NMOCD regulatory remediation action levels in each of the submitted soil samples. Analytical results from the soil samples collected on November 19, 2012, indicated horizontal delineation had been achieved. While soil represented by sample 14' Floor exhibited concentrations of BTEX, TPH and chloride less than NMOCD regulatory standards; vertical delineation was not able to be achieved due to the proximity of active high-pressure pipelines and the congested nature of the release site. Please reference the attached Basin Environmental Services Technologies Remediation Summary and Site Closure Request for details of remedial activities and the site investigation. 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: Approved by District Supervi Printed Name: Crystal Callaway Expiration Date: Title: Senior Environmental Remediation Specialist Approval Date: 12-16-E-mail Address: Crystal.Callaway@Regencygas.com Conditions of Approval: Phone: (817) 302-9407 IRP 2612 Date: 11/17/2014