

HOBBS OCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR Initial Report Final Report

Name of Company ENERGYQUEST II, LL	Contact LARRY DAVIS
Address 4526 RESEARCH FOREST DR., STE 200, THE WOODLANDS, TX 77381	Telephone No. 281-651-5201
Facility Name SHARARA STATE LEASE TANK BATTERY	Facility Type TANK BATTERY

Surface Owner DARR ANGEL	Mineral Owner	API No. 30-025-34090000 (SHARARA #9 - nearest well to Tank Battery)
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	16	17S	33E	1335	NORTH LINE	1335	WEST LINE	LEA

Latitude 32.8382353381653 Longitude -103.672465527684

NATURE OF RELEASE

Type of Release CRUDE OIL	Volume of Release 220 BBLs	Volume Recovered 52 BBLs
Source of Release TANK FAILURE - BOTTOM OF TANK FAILED	Date and Hour of Occurrence 28 DECEMBER 2014 - OVERNIGHT	Date and Hour of Discovery 29 DECEMBER 2014 / 1000 hours
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Maxie	
By Whom? GREG MCWILLIAMS	Date and Hour 29 DECEMBER 2014 / 1400 hours	
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.* Approximately 250 bbls crude oil were being held in Tank #17907 pending transfer to truck. Tank bottom failed during hours of darkness, releasing approximately 220 bbls. Upon discovery, notifications were made as shown above; personnel took actions to recover as much of product as possible. Recovered approximately 52 bbls liquid product. Location visited by ranch foreman, Bern Lewlin; actions taken to protect cattle in vicinity. Tank has been drained and cleaned so that no further release can occur. Environmental consultant has been engaged to conduct measurement of impacted area and analysis for remediation.

Describe Area Affected and Cleanup Action Taken.*

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: Larry D. Davis	Approved by Environmental Specialist:	
Title: Environmental Quality & Safety Manager	Approval Date: 1-7-15	Expiration Date: 3-7-15
E-mail Address: larry.davis@energyquest.us	Conditions of Approval: <i>Site Spill report. Release not routine area as per NMOCD guidance. Submit final C-141 by 2-7-15.</i>	Attached <input type="checkbox"/> IRP-3981
Date: 30 December 2014 Phone: 281-651-5201		

* Attach Additional Sheets If Necessary

NMOCD guidance. Submit final C-141 by 2-7-15.

JAN 08 2015

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