

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: Southern Union Gas Services | Contact: Rose Slade |
| Address: 801 South Loop 464, Monahans, Texas 79756 | Telephone No.: 817.302.9716 or 432.940.5147 |
| Facility Name Monahans Field Office | Facility Type: #173.6 Inch Lateral Line |

| | | |
|-------------------------|---------------|----------------------|
| Surface Owner: JM Owens | Mineral Owner | API No. 30-025-38822 |
|-------------------------|---------------|----------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| C | 11 | 25S | 37E | | | | | Lea |

Latitude 32 08.960 Longitude 103 08.216

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Crude oil, Produced Water, Natural Gas | Volume of Release: 1 barrel | Volume Recovered: 0 recovered |
| Source of Release: 6 inch steel pipeline | Date and Hour of Occurrence: Unknown | Date and Hour of Discovery: 6/13/2011@11:30 AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| 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.*
HOBBS OCD
NOV 14 2012

Describe Cause of Problem and Remedial Action Taken.*
Failure of a segment of the 6" low pressure steel pipeline that resulted in the release of natural gas. The pipeline was fitted with a temporary pipeline clamp to mitigate the release.
RECEIVED

Describe Area Affected and Cleanup Action Taken.*
GW @ 103'

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: Rose L. Slade | Approved by Environmental Specialist | |
| Title: Environmental Specialist | Approval Date: 11/14/12 | Expiration Date: 01/14/13 |
| E-mail-Address: rose.slade@sug.com | Conditions of Approval: SUBMIT FINAL | Attached <input type="checkbox"/> |
| Date: 10/31/12 | Phone: 432.940.5147 | C-141 BY 01/14/13 |
| | | IRP-11-12-2868 |

* Attach Additional Sheets If Necessary

NOV 19 2012