

NM OIL CONSERVATION
ARTESIA DISTRICT

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

AUG 05 2014

Form C-141
Revised August 8, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

Release Notification and Corrective Action

NAB 1421934021

OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company <i>ENERGYQUEST II, LLC 305911</i>	Contact LARRY DAVIS		
Address 4526 RESEARCH FOREST DRIVE., SUITE 200, THE WOODLANDS, TX 77381	Telephone No. 281-875-6200		
Facility Name BEESON F FEDERAL #029	Facility Type OIL		
Surface Owner Bureau of Land Management	Mineral Owner	API No. 30-015-31164	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	31	17S	30E	330	NORTH LINE	330	EAST LINE	EDDY

Latitude 32.7973913815622 Longitude -104.003815317332

NATURE OF RELEASE

Type of Release PRODUCED SALT WATER	Volume of Release 40 BBL	Volume Recovered 0
Source of Release BREAK IN WATER INJECTION LINE	Date and Hour of Occurrence 02 AUG 2014, 1530 HOURS	Date and Hour of Discovery 03 AUG 2014, 1026 HOURS
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? JIM AMOS, BUREAU OF LAND MANAGEMENT (575) 234-5972	
By Whom? GREG MCWILLIAMS (806) 445-1728	Date and Hour 03 AUG 2014, 1026 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.*

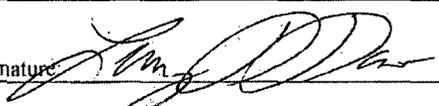
Describe Cause of Problem and Remedial Action Taken.*

FAILURE OF WATER INJECTION LINE BELOW GROUND LEVEL. NO OIL OR OIL PRODUCTS WERE RELEASED. UPON DISCOVERY, FIELD WAS SHUT IN AND FLOW WAS STOPPED. DIGGING REVEALED FAILURE POINT IN FLOW LINE. ANALYSIS OF LOCATION INDICATES NO SUB-SURFACE WATER AND NO SURFACE WATERCOURSE IN VICINITY. CLEAN UP WILL REQUIRE REMOVAL AND REPLACEMENT OF IMPACTED SOILS. APPROVAL TO PROCEED WITH REPAIR AND CLEANUP GIVEN BY JIM AMOS, BLM. CLEAN UP TO BEGIN 06 AUGUST 2014.

Describe Area Affected and Cleanup Action Taken.*

AREA IS SAND DUNES. **SEE ATTACHED PHOTOS.** WATER INJECTION LINE TO BE REPAIRED; CONTAMINATED SOIL TO BE REMOVED AND REPLACED.

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 DAVIS	Approved by Environmental Specialist: 	
Title: MANAGER, ENVIRONMENTAL QUALITY AND SAFETY	Approval Date: <u>8/7/14</u>	Expiration Date: <u>N/A</u>
E-mail Address: larry.davis@energyquest.us	Conditions of Approval: Remediation Per O.C.D. Rule & Guidelines	Attached <input type="checkbox"/>
Date: 05 August 2014	Phone: 281-651-5201	

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 9/7/14

* Attach Additional Sheets If Necessary

2RP-2419



Picture 1 Release location near Beeson F Federal #029



Picture 2 Failure point in flowline that caused release, Beeson F. Federal #029

Patterson, Heather, EMNRD

From: Larry Davis <Larry.Davis@energyquest.us>
Sent: Tuesday, August 05, 2014 2:33 PM
To: Patterson, Heather, EMNRD
Subject: C-141 report for Beeson F Federal 029
Attachments: ENERGYQUEST - BEESON F FEDERAL #029, PRODUCED WATER RELEASE 03 AUGUST 2014.pdf

Heather,

Attached is our initial Form C-141 report on the release of produced water near the Beeson F Federal #029. Let me know if you have any questions.

Thank you for your help on this.

Larry D. Davis
Environmental Quality & Safety Manager

 **EnergyQuest**

Telephone: 281-651-5201 (direct)

E-Fax: 281-651-5207