

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

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|---|-------------------------------------|
| Name of Company Southern Union Gas Services | Contact Crystal Callaway |
| Address 801 South Loop 464, Monahans, TX, 79756 | Telephone No. 817-302-9407 |
| Facility Name: Trunk "O" #2 (RP-1508) | Facility Type Natural Gas Gathering |
| Surface Owner: DASCO Land and Cattle Co | Mineral Owner Federal |
| API No. | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|------------|
| M | 22 | 22S | 36E | | | | | Lea County |

Latitude 32 22.298 Longitude -103 15.558

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release: Crude Oil, Produced water, and Natural Gas | Volume of Release: 75 bbls Fluid and 2160 Mcf Nat. Gas | Volume Recovered: 50 bbls crude oil and produced water |
| Source of Release: 30" Natural Gas Pipeline | Date and Hour of Occurrence: Not known | Date and Hour of Discovery: 7/21/07 Time: 7:00 p.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? NMOCD on call representative | |
| By Whom? Tony Savoie | Date and Hour 7/21/07 7:15 p.m. | |
| 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
A 30" Natural Gas gathering line developed a leak due to excess fluid delivered by a producer caused the line to pressure up and leak fluid and natural gas. Crews began shutting the line in at 7:45 pm, vacuum trucks were dispatched to the leak sites to start picking up fluid. A total of 50 bbls of fluid was recovered before the leak was temporarily repaired with a 30" leak repair clamp.

Describe Area Affected and Cleanup Action Taken.* Approximately 3150 sq. ft. of pasture land and approximately 1,800 sq. ft. of caliche lease road was impacted by the release. Most of the heavily saturated soil was pushed up by a backhoe toward the point of release. The final remediation will follow the NMOCD Guidelines for the Remediation of Spills, Leaks and Releases.

Between August 1, 2007, and February 20, 2008, remediation activities were conducted at the Trunk "O" #2 Release Site by an environmental contractor that is no longer affiliated with the site. On October 31, the site was revisited in an effort to determine if soil containing concentrations of BTEX, TPH and chloride remained in-situ and collect confirmation soil samples. Please see the attached Basin Environmental Services Technologies Remediation Summary and Site Closure Request for details of remedial activities and laboratory analytical results from confirmation soil sampling.

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: Crystal Callaway | Approved by Environmental Specialist: | |
| Title: Senior Environmental Remediation Specialist | Approval Date: 12-7-14 | Expiration Date: - |
| E-mail Address: Senior Environmental Remediation Specialist | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 11/14/2014 | Phone: (817) 302-9407 | IRP-1508 |