

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. 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 June 10, 2003  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form.

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name of Company	Merit Energy Corporation	Contact	Greg Leary
Address	P.O. Box 69 Los Hills, NM 88255	Telephone No.	505-420-5497
Facility Name	Injection line adjacent to West B4 Battery	Facility Type	Produced Water and Crude Oil Battery
Surface Owner	BLM	Mineral Owner	NA
Lease No.			

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
F	10	17S	31E					Eddy

NATURE OF RELEASE

Type of Release	Produced Water Release with associated Hydrocarbons	Volume of Release	~340 bbl	Volume Recovered	~338 bbl
Source of Release	2" Fiberglass Injection Line broken by backhoe	Date and Hour of Occurrence	11/9/04 2:00 PM	Date and Hour of Discovery	11/9/04 2:00 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher, NMOCD; Paul Evans, BLM		
By Whom?	John Good - Safety Environmental Solutions	Date and Hour	11/10/04 10:00 AM		
Was a Watercourse Reached?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	If YES, Volume Impacting the Watercourse	NA		

If a Watercourse was Impacted, Describe Fully\*

Describe Cause of Problem and Remedial Action Taken. \*

High pressure 2" fiberglass injection line was struck by a backhoe during the blending operation of an ongoing remediation project (SESI) at the West B4 Battery. Release was contained to 20'X20' dammed area (5' deep). Flow was shut off and the released fluids were removed with vacuum trucks.

Describe Area Affected and Cleanup Action Taken. \*

The 2" injection line runs NE-SW and was struck ~100-ft east of the tank battery. After the line was repaired, the contaminated sand beneath the release (~5' - no visual or odor detected) was removed and blended with the existing blended spoils (~1000-yd; 750-ppm blended TPH). The excavated area was backfilled with clean sand from a nearby hummock.

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:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Greg Leary		
Title:	LEASE OPERATOR	Approved by District Supervisor:	
E-Mail Address:		Approval Date:	Expiration Date:
Date:	11/15/2004	Phone:	505-420-5497
Conditions of Approval:			<input type="checkbox"/> Attached

Incident Date: 11/9/04		NMOCD Notified: 11/10/04	
SITE: Injection line adjacent to West B4 Battery		Assigned Site Reference: MER-04-017	
Company: Merit Energy Corporation			
Street Address:			
Mailing Address: P.O. Box 69			
City, State, Zip: Loco Hills, NM 88255			
Representative: Greg Leary			
Representative Telephone: 505-420-5497			
Telephone:			
Fluid Volume Released (bbl): > ~340		Volume Recovered (bbl): ~338	
Net Release: > ~2-bbl			
>25 bbl: Notify NMOCD verbally within 24 hours and submit C-141 within 15 days. 5-25 bbl: Submit Form C-141 within 15 days. (Also applies to unauthorized release of >60 mcf Natural Gas).			
Leak, Spill, or Pit (LSP) Name: Injection line adjacent to West B4 Battery			
Source of Contamination: 2" Fiberglass Injection Line broken by backhoe			
Land Owner, i.e. BLM, ST, Fee, Other: BLM			
LSP Dimensions: 20' X 20' X 5' deep			
LSP Area: 400 -ft <sup>2</sup>			
Location of Reference Point (RP):			
Location distance and direction from RP:			
Latitude: North			
Longitude: West			
Elevation above mean sea level (amsl):		feet	meters
Distance from South Section Line (feet):			
Distance from West Section Line (feet):			
Location - Unit Letter and 1/4 1/4:		UL- F	SE - 1/4 of NE - 1/4
Location - Section		10	
Location - Township		17S	
Location - Range		31E	
Surface water body within 1000' radius of site:		0	
Surface water body within 1000' radius of site:		0	
Domestic water wells within 1000' radius of site:		0	
Domestic water wells within 1000' radius of site:		0	
Agricultural water wells within 1000' radius of site:		0	
Agricultural water wells within 1000' radius of site:		0	
Public water supply wells within 1000' radius of site:		0	
Public water supply wells within 1000' radius of site:		0	
Depth (feet) from land surface to Ground Water (DG):		250	
Depth (feet) of lowest contamination (DC):		5	
Depth (feet) to Ground Water (DG - DC = DtGW):		245	
<b>1. Ground Water</b>		<b>2. Wellhead Protection Area</b>	
<b>3. Distance to Surface Water</b>			
If Depth to GW <50-feet: 20 points		If <1000' from water source, or, <200' from private domestic water source: 20 points	
If Depth to GW 50 to 100-feet: 10 points		If >1000' from water source, or, >200' from private domestic water source: 0 points	
If Depth to GW >100-feet: 0 points			
Ground Water Score: 0		Wellhead Protection Score: 0	
Surface Water Score: 0			
Site Ranking (1 + 2 + 3): 0			
<b>Total Site Ranking Score and Acceptable Concentrations</b>			
Parameter	20 or >	10	0
Benzene <sup>1</sup>	10-ppm	10-ppm	10-ppm
BTEX <sup>1</sup>	50-ppm	50-ppm	50-ppm
TPH	100-ppm	1000-ppm	5000-ppm

<sup>1</sup> 100-ppm field VOC headspace measurement may be substituted for lab analysis

Form IM J162-1  
(July 1991)

UNITED STATES DEPARTMENT OF THE INTERIOR  
Bureau of Land Management  
New Mexico State Office

REPORT OF UNDESIRABLE EVENT

DATE OF OCCURRENCE/DISCOVERY: 11-9-04 TIME OF OCCURRENCE: 2:00 PM

DATE REPORTED TO BLM: 11-10-04 TIME REPORTED: 10:00 AM

BLM OFFICE REPORTED TO: (RESOURCE AREA/DISTRICT/OTHER): DISTRICT - CARLSBAD

LOCATION: (& 4) SE NW SECTION 10 T. 17S R. 31E MERIDIAN

COUNTY: EDDY STATE: NM WELL NAME WEST B4 Battery

OPERATOR: COMPANY NAME MERIT ENERGY PHONE NO. 806-229-6900  
CONTACT PERSON'S NAME GREG LEARY 505-677-2327

SURFACE OWNER: BLM - Federal MINERAL OWNER: BLM - Federal  
(FEDERAL/INDIAN/FEE/STATE)

LEASE NO.: 029426-B RIGHT-OF-WAY NO.:

UNIT NAME / COMMUNITIZATION AGREEMENT NO.: Grayburg Jackson

TYPE OF EVENT, CIRCLE APPROPRIATE ITEM(S):

- BLOWOUT, FIRE, FATALITY, INJURY, PROPERTY DAMAGE, OIL SPILL, SALTWATER SPILL,
- OIL AND SALTWATER SPILL, TOXIC FLUID SPILL, HAZARDOUS MATERIAL SPILL,
- UNCONTROLLED FLOW OF WELLDOME FLUIDS, OTHER (SPECIFY):

CAUSE OF EVENT: Environmental contractor broke 2" injection line w/ Backhoe

HazMat Notified: (for spills) NA

Law Enforcement Notified: (for thefts) NA

CAUSE AND EXTENT OF PERSONAL INJURIES/CAUSE OF DEATH(S): NA

Safety Officer Notified:

EFFECTS OF EVENT: 340-bbl released; contained; 338-bbl recovered; contaminated soil removed and replaced w/ clean.

ACTION TAKEN TO CONTROL EVENT: contained to 400-ft<sup>2</sup> area; removed with VACUUM trucks

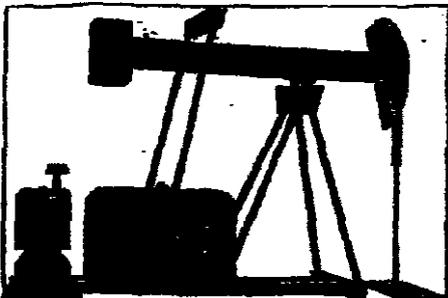
LENGTH OF TIME TO CONTROL BLOWOUT OR FIRE:

VOLUMES DISCHARGED: OIL 10 WATER 330 GAS

OTHER AGENCIES NOTIFIED: NMOC - Artesia (MIKE BRATCHER)

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file copy

# FAX



**Merit Energy Company**

**P.O. Box 300**

**2560 F.M. 301**

**WhiteFace, Texas 79379**

**Phone: 800-229-6300**

Date: 11/15/04

No of Pages: 4 (including Cover Page)

To: MIKE BRATCHER  
OLD

From: GREG LEARY  
MERIT ENERGY  
COMPANY

Phone #: \_\_\_\_\_

Phone #: 677-2327

Fax #: 748-9720

Fax #: 677-2162

