

District I  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy Minerals and Natural Resources

Form C-141  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

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

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

30-015-05311  
nMLB0573641850 OPERATOR

Release Notification and Corrective Action

Initial Report  Final Report

Name of Company	Merit Energy Corporation	Contact	Gene Brookshire
Address	P.O. Box 69 Loco Hills, NM 88255	Telephone No.	505-420-5497
Facility Name	Turner B #44 PW Line	Facility Type	Produced Water Flow Line

Surface Owner	BLM	Mineral Owner	BLM	Lease No.	LC-029395-B
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from East Line	Longitude-W	Latitude-N	County
N	20	17S	31E	700	1755	103deg 53.713'	32deg 48.960'	Eddy

NATURE OF RELEASE

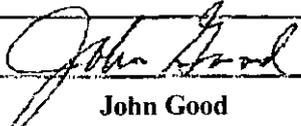
Type of Release	Produced Water with slight oil component	Volume of Release	> 25 bbl	Volume Recovered	0 bbl
Source of Release	4" Produced Water Line - loss of integrity	Date and Hour of Occurrence	5/1/2005 AM	Date and Hour of Discovery	5/1/05 4:00 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher, NMOCD-Artesia		
By Whom?	John Good	Date and Hour	5/3/05 10:48 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. \*  
4" Produced Water flow line rupture. Flow shut off, pipe excavated and repaired. EZ Oilfield Services contracted for evaluation and remediation of site.

Describe Area Affected and Cleanup Action Taken. \*  
Approximate 750' X 3' area affected when released produced water flowed west down narrow ravine immediately adjacent to release location. Remediation to be conducted by EZ Oilfield Services.

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:	John Good	Approved by District Supervisor:	
Title:	Consultant/Project Manager	Approval Date:	Expiration Date:
E-Mail Address:	jcgood4614@aol.com	Conditions of Approval:	
Date:	5/13/2005	Phone:	505-631-3277
			<input type="checkbox"/> Attached

IMAGED  
WP Accept letter  
Entered RBDms  
EZ Oilfield Services/John Good