

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	PHOENIX HYDROCARBONS OPER	Contact	CHRIS MITCHELL
Address	P O BOX 3638, MIDLAND, TX 79702	Telephone No.	432-894-1750
Facility Name	SAT 3, INJECTION LINE	Facility Type	INJECTION LINE

Surface Owner	JAL PUBLIC LIBRARY	Mineral Owner		Lease No.	
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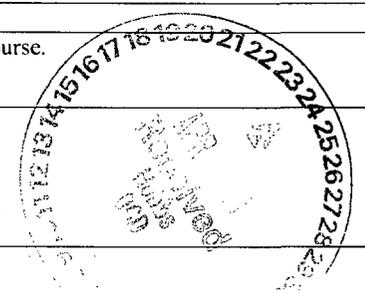
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	8	25S	37E					

Latitude 32° 8'37N_ Longitude 103° 10'48W_

NATURE OF RELEASE

Type of Release	15 bbls prod wtr	Volume of Release	15 bbls	Volume Recovered	12 bbls
Source of Release	split fiberglass line	Date and Hour of Occurrence	AM	Date and Hour of Discovery	4-13-06
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	SYLVIA DICKEY, HOBBS OCD, WAS ON SITE		
By Whom?	ALLEN STANDFER	Date and Hour	4-13-06, 12 NOON		
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.*
FIBERGLASS 4" PIPE SPLIT. JOINT WITH SPLIT WAS CHANGED OUT, PUT BACK INTO INJECTION

Describe Area Affected and Cleanup Action Taken.*
DRY DESERT TERRAIN WITH SCRUB BRUSH GROWTH. VACUUM TRUCK CALLED TO LOCATION, ALL BUT 3 BBLS PROD WATER PICKED UP.

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: <i>Phyllis R Gunter</i>	OIL CONSERVATION DIVISION	
Printed Name: PHYLLIS R GUNTER	Approved by District Supervisor:	
Title: PROD ANALYST	Approval Date:	Expiration Date:
E-mail Address: PHYGUN@AOL.COM	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 4/18/06 Phone: 432-686-9869		

* Attach Additional Sheets If Necessary
Facility - FPAC0612153467
Incident - nPAC0612153604
Application - pPAC0612153761