

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 October 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 Arena Resources	Contact Bob Akin	
Address 4212 n. Grimes, Ste. B Hobbs, N.M. 88240	Telephone No. 505-738-1739	
Facility Name Seven Rivers Queen Unit	Facility Type Water Station	
Surface Owner State	Mineral Owner	Lease No. 34227

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South	Feet from the	East/West Lin	County
1	34	22s	36e	1500'	Line SL	10'	e East Line	Lea

Latitude _____ Longitude _____

WTF 300+

NATURE OF RELEASE

Type of Release Produce Water	Volume of Release 550 BBLS	Volume Recovered 1100 bbls 550 rain water
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink Called 8-4-07 @ 10: 15 am	
By Whom? Bob Akin	Date and Hour 8-4-07 pumper found @ 10: 00 am I was notified @ 10:10am	
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.* NA

Describe Cause of Problem and Remedial Action Taken.*
Produce Water Tank collapsed. Not sure what caused the tank to collapse. Tank was fiberglass.
Produce water mixed with rain water.
CHLORIDES 17,000 TO 22,000 PPM

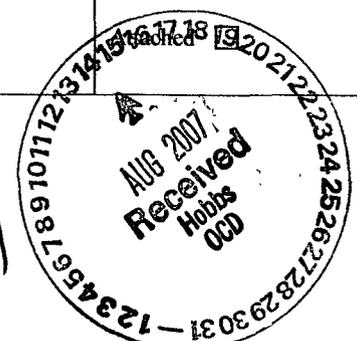
Describe Area Affected and Cleanup Action Taken.* Ran across battery yard & down lease road. All fluid was picked up by vacuum truck. Cleaned up with backhoe. Soil samples are in @ cardinal lab. If needed will till soil, blending in enhanced bio-remediation material.

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>Bob Akin</i>	OIL CONSERVATION DIVISION	
Printed Name: Bob Akin	Approved by District Supervisor: <i>[Signature]</i>	
Title: Production Foreman	Approval Date: 8-14-07	Expiration Date: 10-15-07
E-mail Address: bakin@arenaresourcesinc.com	Conditions of Approval:	
Date: 8/05/07	Phone: 505-738-1739	

* Attach Additional Sheets If Necessary

RP# 1531



SRQU

