

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	Southern Union Gas Services, Ltd.	Contact	Tony Savoie
Address	P.O. Box 1226 Jal, N.M. 88252	Telephone No.	575-395-2116
Facility Name	Lea County Field Dept.	Facility Type	Natural Gas Gathering

Surface Owner: Jay Anthony	Mineral Owner: State of New Mexico	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
A	1	26S	36E					Lea

Latitude N32 ^{4.742}~~4.472~~ Longitude W103 12.658

NATURE OF RELEASE

Type of Release : Natural Gas	Volume of Release: Unknown	Volume Recovered None
Source of Release : 4" Natural Gas Pipeline	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 7/22/04 Time: 9:00 a.m.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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 4" Natural gas pipeline leaked prior to Southern Union Gas Services operations. The pipeline has been idle for approximately 5 years, and the leak areas were there several years prior to taking the line out of service.
The leak areas were identified by the landowner and the worse case site was photographed and sampled in July 2004.

Describe Area Affected and Cleanup Action Taken. An area measuring approximately 300 sq. ft. has a dry grey to white discoloration. The discolored soil will be removed to a depth sufficient to restore a root bearing zone. All remediation activities will follow the NMOCD guidelines.

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>Tony Savoie</i>	OIL CONSERVATION DIVISION	
Printed Name: John A. Savoie	Approved by District Supervisor: <i>[Signature]</i>	
Title: Waste Management and Remediation Specialist	ENVIRONMENTAL ENGINEER	
E-mail Address: tony.savoie@sug.com	Approval Date: 7-29-08	Expiration Date: 9-29-08
Date: 7/24/08 Phone: 575-395-2116	Conditions of Approval: <i>SUBMIT FINAL C-141</i>	Attached <input type="checkbox"/> <i>IRP: 1914</i>

* Attach Additional Sheets If Necessary

w/DOCUMENTATION BY

FGRL0821933855



**Southern Union
Gas Services**

Remediation Plan

@

Sheperd #10

Project # 2008-020

Unit ltr."A" Section 1 Twns. 26S Range 36E

Lea County, New Mexico

Site Remediation Plan

Southern Union Gas Services
Sheperd #10
2008-020

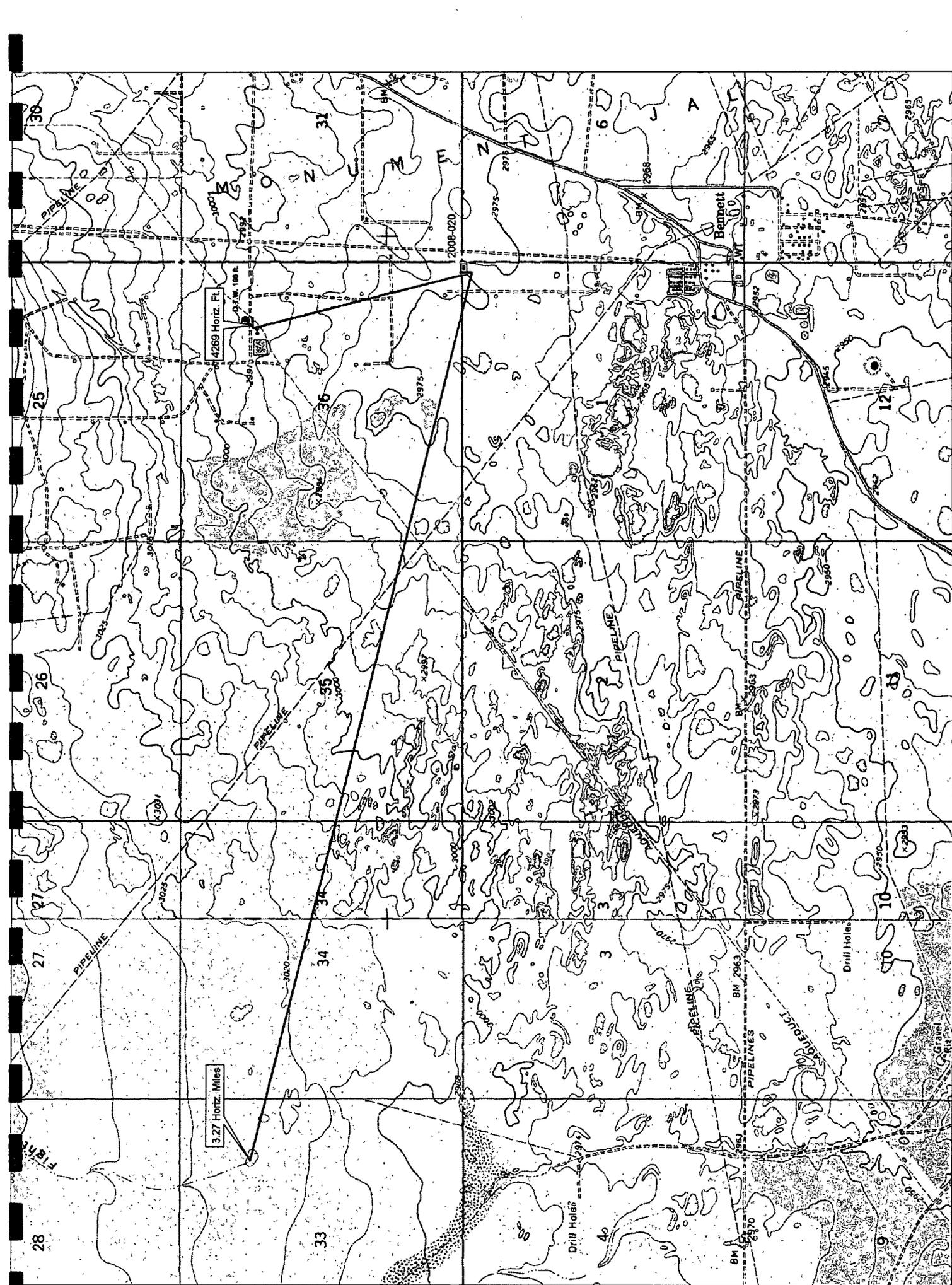
Unit ltr. A Section 1, Twns. 26S, Range 36E

Waste Management and Remediation Specialist

Signature Tony Savoie

Date: 7/24/08

Tony Savoie
P.O. Box 1226
Jal, New Mexico 88252
575-631-9376
E-mail: tony.savoie@sug.com



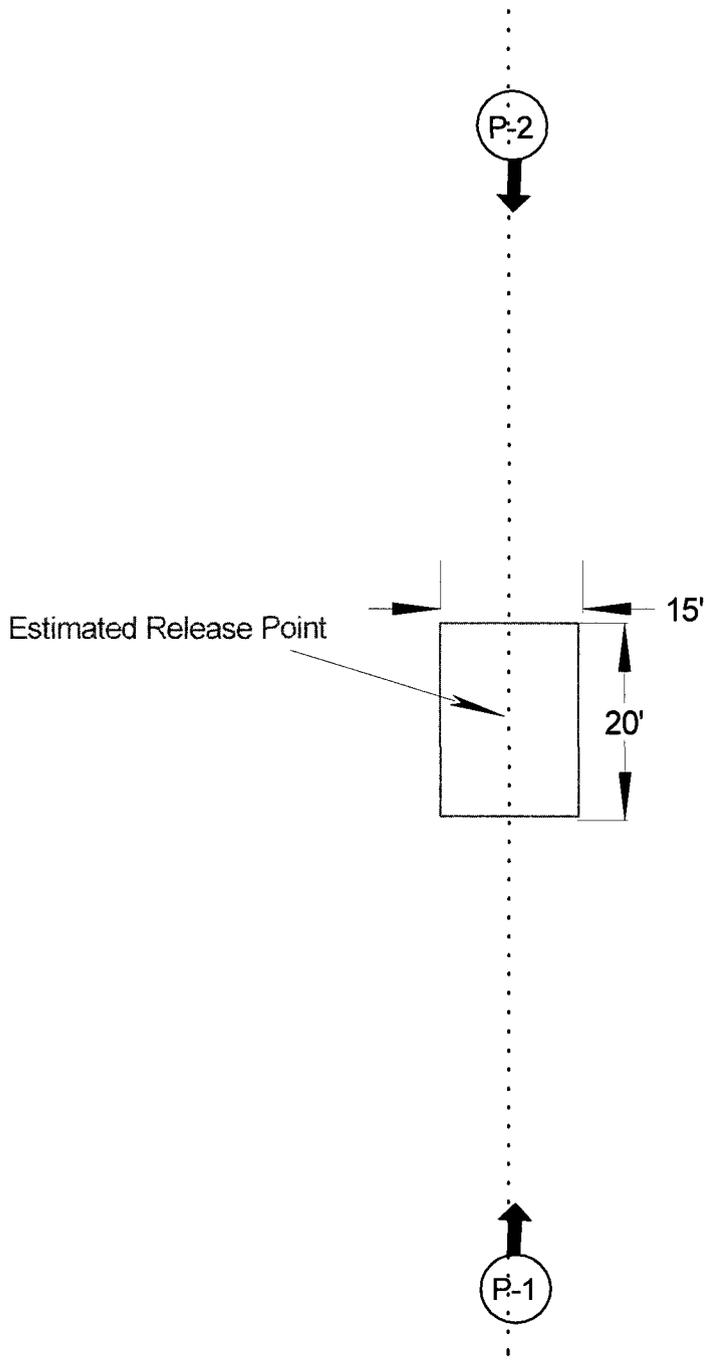
Sheperd #20-10
Job # 2008-020
Ranking Analysis

NMOCD Standards			Points
Depth to Ground Water	Greater than 100 ft.		0
Depth to Ground Water	Less than 100 ft. but greater than 50 ft.		10
Depth to Ground Water	Less than 50 ft.		20
Well Head Protection	Less than 1000 ft. from a water source, or;	Yes	20
	Less than 200 ft. from private domestic water source	No	0
Distance to Surface water body	Less than 200 Horizontal. ft.		20
Distance to Surface water body	200 to 1000 Horizontal ft.		10
Distance to Surface water body	Greater than 1000 Horizontal ft.		0
Action levels	>19	10-19	0-9
Benzene (mg/kg)	10	10	10
BTEX (mg/kg)	50	50	50
TPH (mg/kg)	100	1000	5000

Site Ranking			Points
Depth to Ground Water	186 ft.		0
Well Head Protection	4269 Horizontal ft.		0
Surface Water Body	3.27 Horizontal Miles		0
Total Ranking Score			0

Site Closure Objective	
Benzene (mg/kg)	10
BTEX (mg/kg)	50
TPH (mg/kg) "Surface"	5000

Remediation Plan:
All affected soil will be excavated and sampled for the presence of Hydrocarbons EPA method (8015M)
Soil with TPH values greater than 5000 mg/kg will be transported to the S.U.G.S. Landfarm or remediated on-site.
Soil samples will be collected from the excavation and analyzed for Hydrocarbons EPA method (8015M)
All samples will be field screened with a "PID" The soil sample with the highest PID reading will be analyzed separately and tested for BTEX.



Approximate
Scale 1"= 20'

N

Unit ltr. "A"
Section 1
Twns.-26 S
Range 36E
County-Lea, N.M.
GPS
Lat- 32-04.742N
Long-103-12.658W



Site Plan-Sheperd #10
Lea County Area Jal, N.M.

2008-020
Figure 1

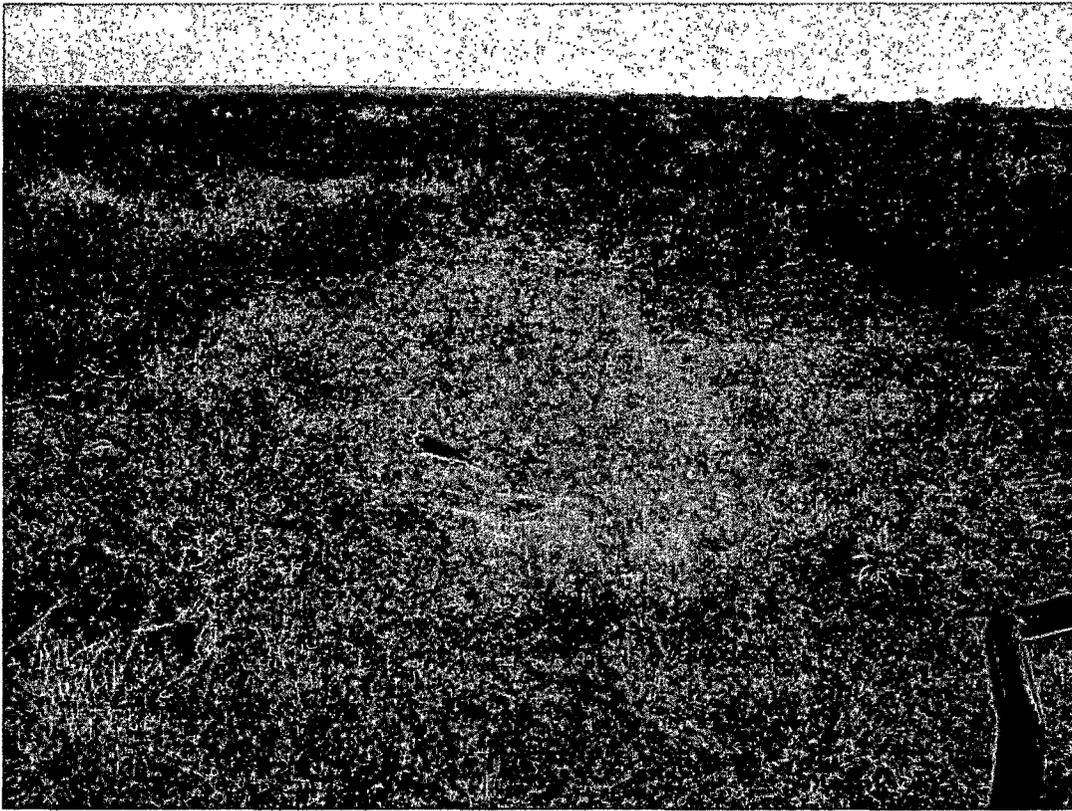


Photo 1

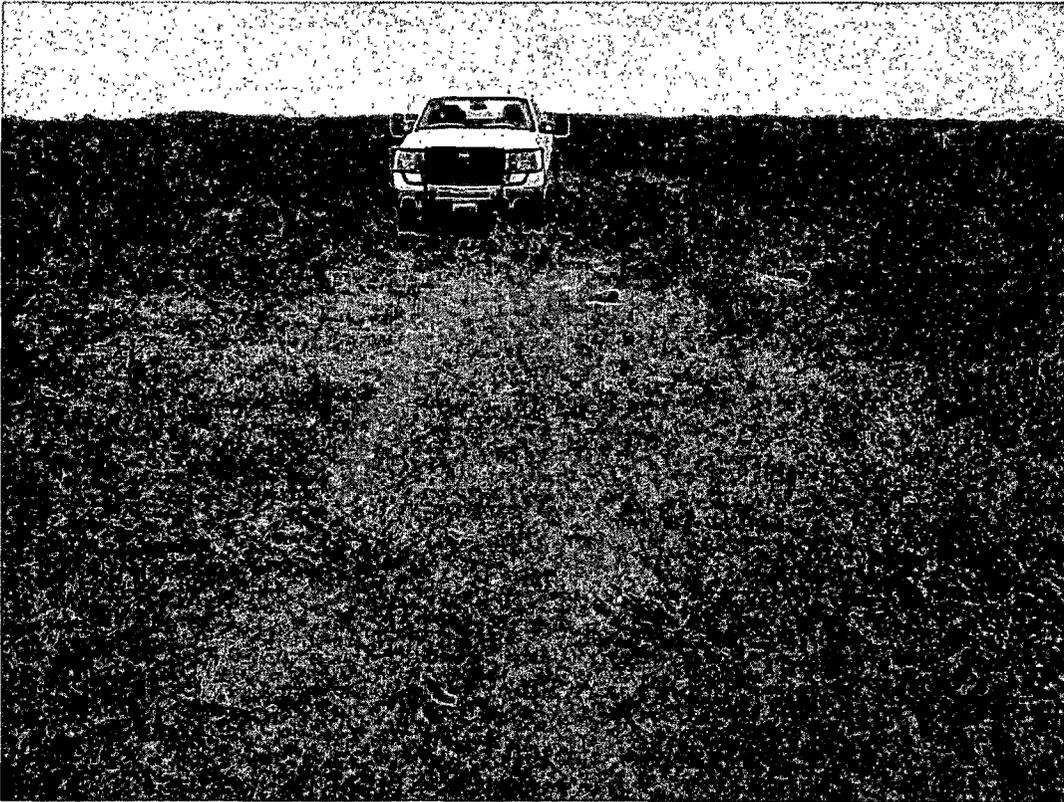


Photo 2

Southern Union Gas Services Site: Sheperd #10
Job # 2008-020
Site Assessment 5/5/08