

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

RECEIVED
OCT 29 2008
HOBBS (1)

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Melrose Operating	Contact	Cam Robbins
Address	1000 W Wilshire, St 223 Oklahoma City, OK 76113	Telephone No.	575-390-4677
Facility Name	JFYSU WIP <i>Well # 222</i>	Facility Type	Pump Leak

Surface Owner	Merchant Cattle Co. ?	Mineral Owner	State	Lease No.	25191
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LOCATION OF RELEASE

API 30 025 38875

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	14	22S	35E	606'	North	2000'	East	Lea

Latitude \pm 32°23'50.07" Longitude \pm 103°20'06.56"

NATURE OF RELEASE

Type of Release	Water	Volume of Release	450bbbls	Volume Recovered	400bbbls
Source of Release	Injection Pump	Date and Hour of Occurrence		Date and Hour of Dis	10/22/08 9:00AM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, To Whom? Buddy Hill, EMNRD-OCG, Hobbs Office			
By Whom?	Cam Robbins	Date and Hour	10/22/08	\pm 10:00AM NM	
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. Water Injection Pump leaking water from fluid end, High Pressure Cap came off. Isolated leaking Injection Pump, stopped leak, Called for Vacuum Trucks to pick up free standing water off of ground Recovered all fluid from ground, make One Call will start bioremediation ASAP.

Describe Area Affected and Cleanup Action Taken.*
Area in front of Water Flood building, streamed to West of WIP & ran South of WIP, close to Well #222 & made puddle 115' x 90', w/ 2' x 130' wide stream (North & South), Picked up all free water, & Made One Call.

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>Cam Robbins</i>	OIL CONSERVATION DIVISION	
Printed Name: Cam Robbins	<i>J. Johnson</i> Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: Forman	Approval Date: <i>10.29.08</i>	Expiration Date: <i>12.1.08</i>
E-mail Address: maximum@valonet.com	Conditions of Approval: <i>COMPLETE & SUBMIT FINAL BY</i>	
Date: 10/22/08 Phone: 575-390-4677	Attached <input type="checkbox"/> <i>IRP-1990</i>	

* Attach Additional Sheets If Necessary