

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	CrownQuest Operating, LLC	Contact	<i>Kent Crabtree</i>
Address	PO Box 53310 Midland, Texas 79710	Telephone No.	<i>432-536-0770</i>
Facility Name	Hahn State Well #1	Facility Type	Well Site Reserve Pit
Surface Owner	State of New Mexico	Mineral Owner	<i>AP1</i> Lease No. <i>30 025 38598</i>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	15	14S	33E					Lea

Latitude 33 05' 56.25" North **Longitude** 103 35' 39.25" West

WTR 90'

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	Unknown	Volume Recovered	<i>None</i>
Source of Release	Reserve Pit	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	<i>10/24/08 @ 10:00</i>
Was Immediate Notice Given?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	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: At unknown time a breach in the liner of the reserve pit occurred. Impacted soil is being excavated and transported to an NMOCD approved facility for disposal.

Describe Area Affected and Cleanup Action Taken. Release impacted an area measuring approximately 100 feet by 150 feet.

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>Kent Crabtree</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>Kent Crabtree</i>	<i>J. Johnson</i> Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: <i>Former</i>	Approval Date: <i>2.10.09</i>	Expiration Date: <i>4.10.09</i>
E-mail Address: <i>KCrabtree@CrownQuest</i>	Conditions of Approval:	
Date: <i>2-10-09</i> Phone: <i>432-536-0770</i>	<i>SUBMIT DELINEATION & CLEANUP PLAN BY 4.10.09</i> <i>ARR 2080</i>	

INCIDENT# NLWT0905637424

P6RL0905759181

RECEIVED

FEB 10 2009

HOBBSOCD

FEB 10 2009