

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

30-05-36255

**Release Notification and Corrective Action**

|                                              |  |                              |                  |              |
|----------------------------------------------|--|------------------------------|------------------|--------------|
| NMLB0934351071                               |  | <b>OPERATOR</b>              | X Initial Report | Final Report |
| Name of Company Forest Oil Corporation 8041  |  | Contact Ron Ragland          |                  |              |
| Address 3504 NW County Road, Hobbs, Nm 88241 |  | Telephone No. 575 392 9797   |                  |              |
| Facility Name FOC State B #11                |  | Facility Type Producing Well |                  |              |

|                     |               |                           |
|---------------------|---------------|---------------------------|
| Surface Owner State | Mineral Owner | Lease No. API 30-15-36255 |
|---------------------|---------------|---------------------------|

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| O           | 16      | 17S      | 31E   |               |                  |               |                | Eddy   |

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

**NATURE OF RELEASE**

|                                                                                                                                          |                                               |                                     |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------|
| Type of Release Produced Water                                                                                                           | Volume of Release Unknown                     | Volume Recovered Unknown            |
| Source of Release Reserve Pit                                                                                                            | Date and Hour of Occurrence Unknown           | Date and Hour of Discovery 1 Jun 09 |
| Was Immediate Notice Given?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? N/A                          |                                     |
| By Whom? N/A                                                                                                                             | Date and Hour N/A                             |                                     |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                        | If YES, Volume Impacting the Watercourse. N/A |                                     |

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

A liner failure in the drilling reserve pit caused a produced water release. This release was detected during the pit closure process by way of soil analysis (see Attached). Further excavation will continue until soil samples indicate a chloride level at or below the NM OCD limits.

Describe Area Affected and Cleanup Action Taken.\*

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:                              |                     | <b>OIL CONSERVATION DIVISION</b>                                 |                                   |
| Printed Name: Ron Ragland               | <i>RR</i>           | Approved by <i>Michelle Brannon</i>                              | Signed By <i>Michelle Brannon</i> |
| Title: Senior Production Foreman        |                     | Approval Date: DEC 09 2009                                       | Expiration Date:                  |
| E-mail Address: rdragland@forestoil.com |                     | Conditions of Approval: Remediation per NMOCD Rules & Guidelines | Attached <input type="checkbox"/> |
| Date: 10 June 09                        | Phone: 575 392 9797 |                                                                  |                                   |

\* Attach Additional Sheets If Necessary

PMB 0934351512

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