

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

RECEIVED
JAN 19 2010
HOBBSOCD

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 PRIDE ENERGY COMPANY	Contact MATTHEW L. PRIDE
Address P.O. BOX 701950, TULSA, OK 74170-1950	Telephone No. 918-524-9200
Facility Name SOUTH FOUR LAKES UNIT	Facility Type SALT WATER TANK

Surface Owner A.D. JONES ESTATE, INC.	Mineral Owner STATE OF NEW MEXICO	Lease No. E-2064; 937-2; E-596-1
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LOCATION OF RELEASE

NEARBY WELL S. 4 LAKES
UNIT 002 30-025-0183Z

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	2	12S	34E	1980	NORTH	1980	EAST	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release SALTWATER	Volume of Release (see below)	Volume Recovered 456 bbis.
Source of Release FREE WATER KNOCKOUT LEAK	Date and Hour of Occurrence 1/11/10 Approx. 1:00 a.m.	Date and Hour of Discovery 1/11/10 10:00 a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? GEOFFREY LEKING (NMOCD, HOBBS, NM)	
By Whom? MATTHEW L. PRIDE	Date and Hour 1/11/10 Approx 3:00 p.m. MST	
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.*

WATER @ 26'

Describe Cause of Problem and Remedial Action Taken.*

A hole developed in the free water knockout vessel All free standing saltwater was picked up by vacuum truck and put back into the saltwater tank, except 120 barrels of dirty saltwater was properly disposed of in an offsite commercial disposal well.

Describe Area Affected and Cleanup Action Taken.*

The saltwater was contained inside the diked area around the tank battery except approximately 10 to 15 barrels on the North side of the tank battery which stayed on location A vacuum truck picked up the saltwater and put back into the saltwater tank, except 120 barrels of dirty saltwater was properly disposed of in an offsite commercial disposal well.
Pride will conduct an investigation of the release and submit a remediation plan to NMOCD that is consistent with Part 29 of NMOCD Rules before March 15, 2010.

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>Matthew L. Pride</i>	OIL CONSERVATION DIVISION	
Printed Name: MATTHEW L. PRIDE	ENV. ENGINEER: Approved by District Supervisor: <i>Geoffrey LeKing</i>	
Title: PRESIDENT	Approval Date 02/05/10	Expiration Date: 07/05/10
E-mail Address: mattp@pride-energy.com	Conditions of Approval. DELIVERATE TO CLEAN +1. SUBMIT FINAL C-141 BY	
Date: 1/13/10	Phone: 918-524-9200	Attached <input type="checkbox"/> IRP-W-2-2417 mp11441.mn

* Attach Additional Sheets If Necessary

f GIRL 1003639285

PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

Physical Address: Kensington Tower

2250 East 73rd Street, Suite 550
Tulsa, OK 74136

Mailing Address:

P.O. Box 701950

Tulsa, OK 74170-1950

Email Address:

mattp@pride-energy.com

RECEIVED

JAN 19 2010

HOBSOCD

January 13, 2010

Via Certified Mail
Return Receipt #

New Mexico Energy, Minerals, and Natural Resources Department

Oil Conservation Division

1625 N. French Drive

Hobbs, NM 88240

91 7108 2133 3936 0781 3672

ATTN: Geoffrey R. Leking

RE: South Four Lakes Unit

Section 2-12S-34E: SW $\frac{1}{4}$ NE $\frac{1}{4}$ (Unit Letter G)

Lea County, New Mexico

To Whom it may concern:

In reference to the above described well, please find enclosed Form C-141 (Release Notification and Corrective Action).

Thank you, and if there are any questions, please feel free to contact me at (918) 524-9200.

Sincerely,

Pride Energy Company

Matthew L. Pride

Matthew L. Pride