

# 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

November 6, 2009

New Mexico Oil Conservation  
1625 N. French Drive  
Hobbs, NM 88240

**RECEIVED**  
NOV 12 2009  
HOBBSOCD

Via Certified Mail  
Return Receipt #

91 7108 2133 3936 9239 7743

5 Total Pages

RE: Marigold Unit No. 001  
API # 30-025-32859  
Section 7-12S-38E: 100' FNL and 2075" FEL of Section (Unit Letter B)  
Lea County, New Mexico

To Whom It May Concern:

In reference to the above well and the November 4, 2009 letter from the NMDCD (copy attached), please find enclosed a completed Form C-141. Also the well sign has now been updated with the API number.

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

Sincerely,



Matthew L. Pride  
Pride Energy Company

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

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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	PO Box 701950, Tulsa, OK 74170	Telephone No.	918-524-9200
Facility Name	Marigold Unit No. 001	Facility Type	Oil Well

Surface Owner	Mineral Owner	Lease No.
Dean and Kenneth Kinsolving	Fee and BLM	

**LOCATION OF RELEASE** AP# 30-025-32859-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	7	12S	38E	100	North	2075	East	Lea

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

**NATURE OF RELEASE**

Type of Release	Saltwater & some oil	Volume of Release	10 bbls	Volume Recovered	10 bbls
Source of Release	stuffing box leak	Date and Hour of Occurrence	11/3/09	Date and Hour of Discovery	11/3/09
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? OCD (Maxey Brown) (see comments below)			
By Whom?	See comments below	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.\* (not applicable)

Describe Cause of Problem and Remedial Action Taken \*

Stuffing box developed a leak; stuffing box has been fixed.

Describe Area Affected and Cleanup Action Taken.\*

Stuffing box leak occurred sometime during the night of 11/2/09 or early morning hours of 11/3/09. Maxey Brown, field inspector for OCD, discovered the leak before pumper (Shane Ferguson) got to the well for daily gauging. Maxey Brown called Shane Ferguson to notify of the stuffing box leak while on location and Shane Ferguson gave Maxey Brown permission to turn off the pumping unit.

All saltwater and oil (10 bbls saltwater & 3 gallons oil) were contained on location.

All freewater and oil was picked up with a vac. truck and the location has now been cleaned up and properly remediated.

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>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Matthew L. Pride	Approved by: ENV' ENGINEER :	District Supervisor:
Title:	President of Pride Production Co , Inc. as General Partner of Pride Energy Company	Approval Date: 02/12/10	Expiration Date: 04/12/10
E-mail Address:	mattp@pride-energy.com	Conditions of Approval: PROVIDE CONFIRMATION SAMPLING RESULTS THAT RELEASE WAS PROPERLY REMEDIATED. IF NOT PROPERLY REMEDIATED FOR	
Date:	11/6/09	Phone:	918-524-9200

DELIVERED; DO SO. SUBMIT FINAL C-141 BY 04/12/10.

\* Attach Additional Sheets If Necessary

FILED 1004351607

Attached   
IRP-10-2-2423



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

*Field Inspection Program*  
"Preserving the Integrity of Our Environment"

04-Nov-09

**PRIDE ENERGY COMPANY**  
P.O. BOX 701602  
TULSA OK 74170-1602

**RECEIVED**  
NOV 12 2009  
HUBBARD

RECEIVED

NOV 06 2009

BY: \_\_\_\_\_

## LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

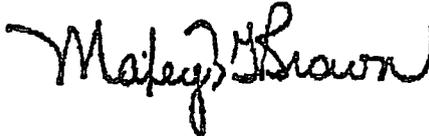
Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

### INSPECTION DETAIL SECTION

MARIGOLD UNIT No.001	B-7-12S-38E	30-025-32859-00-00				
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/03/2009	Routine/Periodic	Maxey Brown	Yes	No	2/6/2010	iMGB0930740656
<b>Violations</b> Absent Well Identification Signs (Rule 103) Surface Leaks/Spills						
<b>Comments on Inspection:</b> Location needs attention. Equipment OK. (RULE 19.15.29.8.). STUFFING BOX LEAKING. CALL SHANE FERGERSON TO NOTIFY. HE GAVE ME PERMISSION TO TURN OFF PUMPING UNIT. RELEASE OVER 5 BBL, C-141 WILL BE REQUIRED. ALSO NEED TO UPDATE WELL SIGN (NO API #) (RULE 19.15.16.8.). THIS IS 1ST LETTER OF NON-COMPLIANCE. MGB.						

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

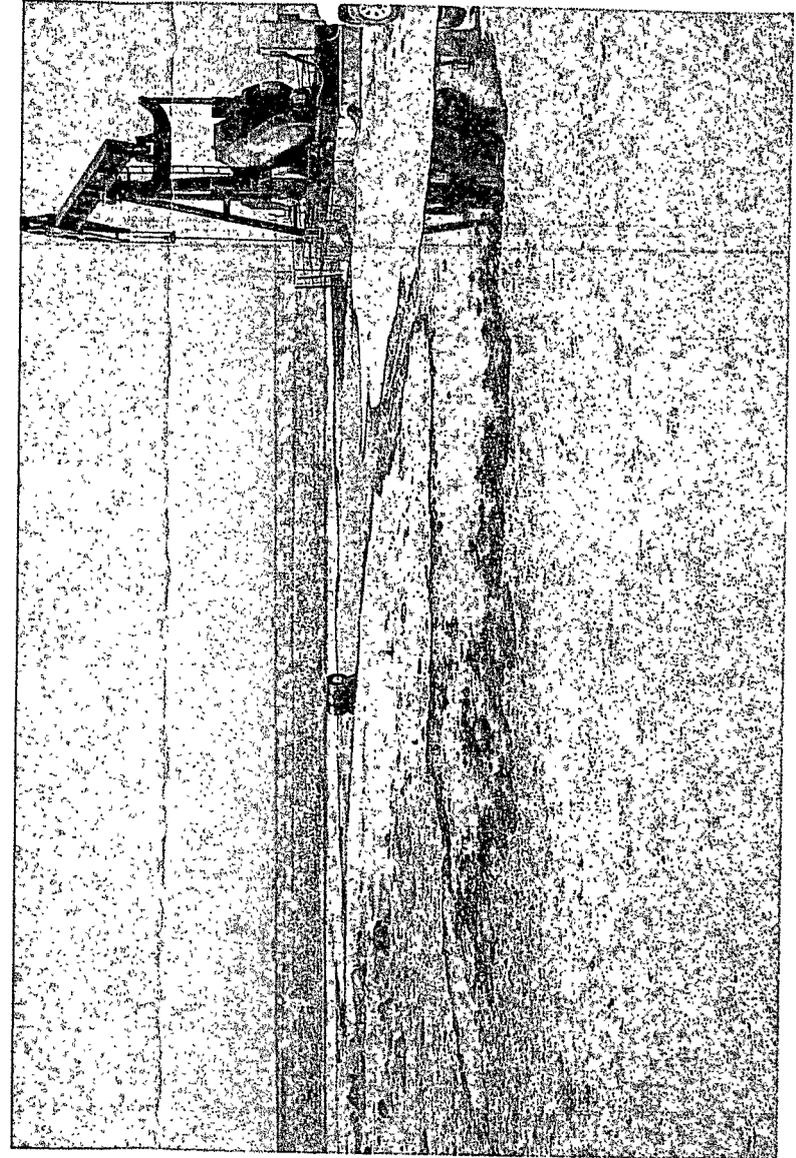
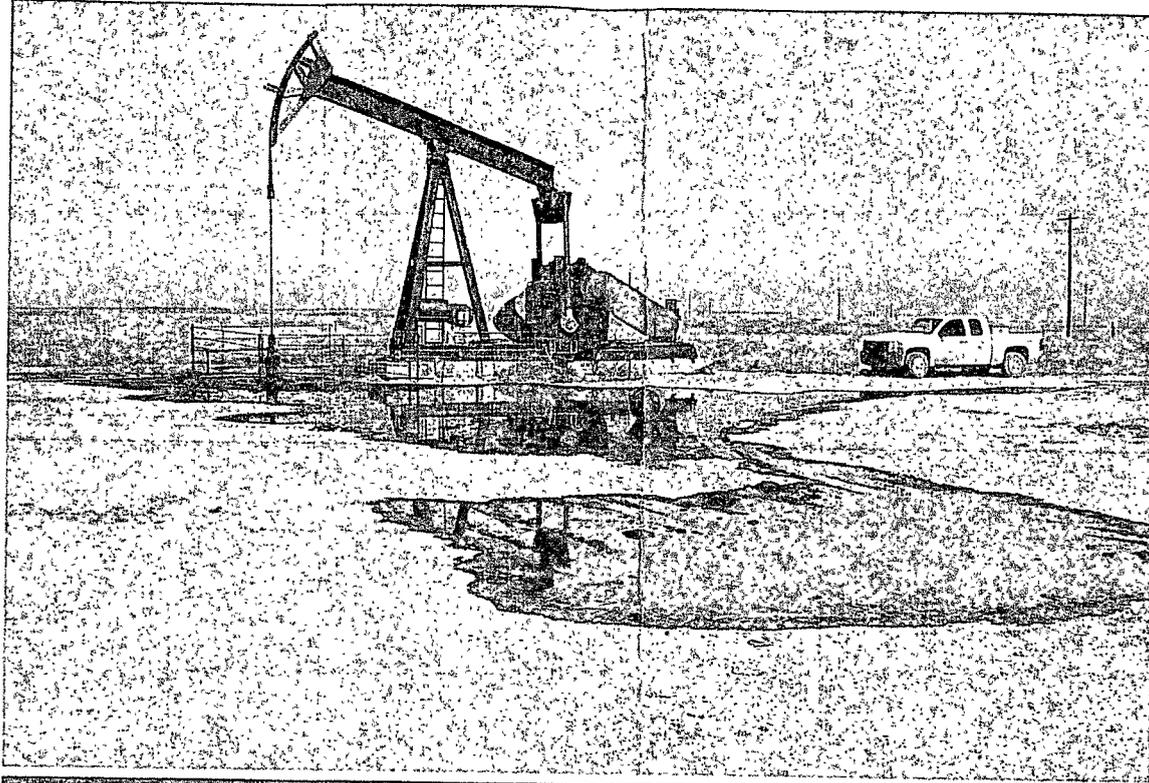
Sincerely,



**COMPLIANCE OFFICER**

Hobbs OCD District Office

**Note:** Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.  
\*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas



STUFFING BOX LEAK  
30-025-32859

11/3/2009