

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

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HOBBSON

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: Siana Operating LLC	Contact: Matt Doffer
Address: P.O. Box 10303, Midland, TX 79702	Telephone No.: 432/687-6600
Facility Name: Curry Federal #2	Facility Type: SWD

Surface Owner: Federal	Mineral Owner: Federal	Lease No.: LG-7641-1
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LOCATION OF RELEASE

API# - 30-025-24003.00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	22	23-S	34-E	660	South	1660	West	Lea

Latitude 103°17'5.21"N Longitude 103°27'39.82"W

NATURE OF RELEASE

Type of Release: Produced Water and Skim Oil	Volume of Release: 200 bbls	Volume Recovered: 140 bbls
Source of Release: Produced Water Tank	Date and Hour of Occurrence	Date and Hour of Discovery: 2/14/10, 7 A.M.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	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.*

WATER = 280'

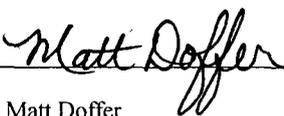
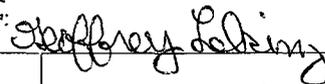
Describe Cause of Problem and Remedial Action Taken.*

A 3" threaded nipple on the suction side of the disposal pump started leaking and washed out. The dike area was filled up and then breached on the north side of the dike. An estimated 60 bbls of fluid composed of 40 bbls of produced water and 20 bbls of skim oil ran downhill along the electric line ROW some 2000' to the north and then where the terrain flattened turned east for 400' before coming to an end. Intermittent oil staining of the soil along the way is evident. 140 bbls of produced water was recovered from inside this dike. No freestanding fluid was found outside the dike along the spill run. Repairs to the suction line were made and soil immediately outside the dike was scraped up and the dike walls were repaired.

Describe Area Affected and Cleanup Action Taken.*

The dike wall will be raised, compacted and widened to prevent future releases. A sump pump and level in dike call out will be installed. Contaminated soil inside the dike will be dug out and removed to an approved disposal site. A remediation plan for the spill run area is being developed and will be submitted within 10 days and initiated when approved.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Matt Doffer	Approved by ENV. ENGINEER:  District Supervisor:	
Title: Manager of Drilling/Production	Approval Date: 04/14/10	Expiration Date: 06/14/10
E-mail Address: mdoffer@sianoil.com	Conditions of Approval: SUBMIT FINAL C-141 BY 06/14/10	Attached <input type="checkbox"/>
Date: 3/15/10 Phone: 432/687-6600	IRP-10-4-2478	

* Attach Additional Sheets If Necessary