

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

X Initial Report Final Report

Name of Company Fairway Resources Operating LLC	Contact Matt Eagleston
Address 538 Silicon Drive, Suite 101, Southlake, Texas 76092	Telephone No. (817) 416 1946
Facility Name South Red Lake II Unit 30	Facility Type Well Location

Surface Owner BLM	Mineral Owner BLM	Lease No. NML C 028755A
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3001501222

LOCATION OF RELEASE

Unit Letter "O"	Section 35	Township 17S	Range 27E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water / Crude Oil	Volume of Release Unknown	Volume Recovered 0
Source of Release Daily Operations	Date and Hour of Occurrence Unknown	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes X No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Historic crude oil and produced water impact was discovered during reclamation of the well pad and appears to be the result of daily operations at the well site.

Describe Area Affected and Cleanup Action Taken.*

Release site will be remediated to NMOCD Artesia District Office requirements.

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>John J. Pulte</i>	OIL CONSERVATION DIVISION	
Printed Name: John J. Pulte	Approved by District Supervisor <i>[Signature]</i>	
Title: Operations Engineer	Approval Date: 2-8-10	Expiration Date: 6-8-10
E-mail Address: jpulte@fairwayresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 2/25/10	Phone: 817-416-1946	

* Attach Additional Sheets If Necessary

RECEIVED
 MAR 02 2010
 NMOCD ARTESIA

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