

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
MAY 03 2010
NMOCD ARTESIA

Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-01222

**Release Notification and Corrective Action
IRP-2068**

ASEB1009837174

OPERATOR Initial Report **Final Report**

Name of Company	Fairway Resources <i>241598</i>	Contact	Matt Eagleston
Address	538 Silicon Drive Suite 101, Southlake, TX 76902	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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LOCATION OF RELEASE

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

Latitude North Longitude West

NATURE OF RELEASE

Type of Release	Produced Water and Crude Oil	Volume of Release	Unknown	Volume Recovered	0 bbl
Source of Release	Flow Line	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	
Was Immediate Notice Given?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required <input type="checkbox"/>	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.*

Describe Cause of Problem and Remedial Action Taken. Historical crude oil and produced water impact was discovered during reclamation of the well pad and appeared to be a result of daily operations at the well site. The release site will be remediated to NMOCD requirements.

Describe Area Affected and Cleanup Action Taken Site was excavated, confirmation soil samples were collected from the excavation, impacted soil was transported to Lea Land, LLC for disposal. non-impacted soil was purchased locally and the excavation was backfilled. **Please see attached Basin Environmental Consulting Remediation Summary and Site Closure Request, dated April 2010, for remediation details.**

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	Signed By <i>Mike Brannon</i>	
Title	Operations Engineer	Approved by District Supervisor:	
E-mail Address	jpulte@fairwayresources.com	Approval Date	JUN 03 2010
Date: 4/06/2010	Phone: 817-416-1946	Expiration Date	N/A
Conditions of Approval.			

PMLB1015432582

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