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

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

nSEB1009836860 241598

**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 31 | Facility Type Well Location |

| | | |
|---|---|---|
| Surface Owner BLM | Mineral Owner BLM | Lease No. LC-028755A |

30015 20644

## LOCATION OF RELEASE

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

**Latitude**_____ **Longitude**_____

## NATURE OF RELEASE

| | | |
|---|---|---|
| Type of Release Produced Water | Volume of Release unknown | Volume Recovered 0 |
| Source of Release Flowline Release | Date and Hour of Occurrence Unknown | Date and Hour of Discovery |
| Was Immediate Notice Given? ☐ Yes X No ☐ Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? ☐ Yes X No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Flow line failed causing an unknown volume of produced water to be released. During initial response activities the flow line was clamped and soil is being excavated.

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: John J. Pulte | OIL CONSERVATION DIVISION | |
| Printed Name: John J. Pulte | Approved by District Supervisor: | |
| Title: Operations Engineer | Approval Date: 4/8/10 | Expiration Date: 6/8/10 |
| E-mail Address: jpulte@fairwayresources.com | Conditions of Approval: | Attached ☐ |
| Date: 2/25/10 Phone: 817-416-1946 | | |

* Attach Additional Sheets If Necessary

pMLB1015446046

2RP-416

RECEIVED
MAR 02 2010
NMOCD ARTESIA

6/8/10
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(I) to well file