

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

#### OPERATOR

Initial Report  Final Report

Name of Company	Southern Union Gas Services	Contact	Rose Slade
Address	P.O. Box 1226 Jal, New Mexico 88252	Telephone No.	432-940-5147
Facility Name	Lateral A-9	Facility Type	Natural Gas Pipeline
Surface Owner	Kelly Meyers	Mineral Owner	
		Lease No.	30-025-38822

#### LOCATION OF RELEASE

38822

Unit Letter "M"	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
	7	24S	37E					

Latitude N 32.22723 degrees Longitude W 103.20821 degrees

WTR 100'

#### NATURE OF RELEASE

Type of Release	Natural Gas, Crude Oil and Produced Water	Volume of Release	7 BBLS	Volume Recovered	0 BBLS
Source of Release	4-Inch Steel Pipeline	Date and Hour of Occurrence	*June 19, 2010, approx. 1030 hrs	Date and Hour of Discovery	*June 19, 2010, 1030 hrs
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.\*

Describe Cause of Problem and Remedial Action Taken.\*

\*This release was initially deemed a non-reportable release of three (3) barrels. Following delineation activities, Southern Union has opted to re-classify this release a reportable release of (7) barrels.

The release was caused by internal corrosion of the 4-inch steel pipeline. A temporary pipeline clamp was utilized to mitigate the release during the initial release response. Following initial response activities, a segment of the pipeline has been replaced. No H<sub>2</sub>S has been detected

Describe Area Affected and Cleanup Action Taken.\*

The affected area measures approximately 2,500 square feet. The release will be remediated per NMOCD regulatory guidelines.

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>Rose L. Slade</i>	<b>OIL CONSERVATION DIVISION</b> <i>[Signature]</i>	
Printed Name: <i>Rose L. Slade</i>	Approved by District Supervisor <b>ENVIRONMENTAL ENGINEER</b>	
Title: <i>E.H.S. Compliance Specialist</i>	Approval Date: <i>7.16.10</i>	Expiration Date: <i>9.15.10</i>
E-mail Address: <i>rose.slade@sug.com</i>	Conditions of Approval:	
Date: <i>9/15/2010</i> Phone: <i>432-940-5747</i>	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> <b>SUBMIT FINAL C-141 w/DOCS BY IRP# 2585</b>	

\* Attach Additional Sheets If Necessary

INC NLWT1019732255  
APP PLWT1019732573