

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**

Form C-141  
Revised October 10, 2003

DEC 10 2010  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form  
HOBBSCOCD

**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   | Trunk "O" 12610                     | Facility Type | Natural Gas Pipeline                  |
| Surface Owner   | State of New Mexico                 | Mineral Owner | API No 30-025- <del>28822</del> 38822 |

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| E           | 23      | 23S      | 36E   |               |                  |               |                | Lea    |

Latitude 32 degrees 17.414' Longitude 103 degrees 14.628'

WTR 150'

**NATURE OF RELEASE**

|                             |   |   |                  |                            |                               |
|-----------------------------|---|---|------------------|----------------------------|-------------------------------|
| Type of Release             | Natural Gas, Crude Oil and Produced Water   | Volume of Release                         | 9 BBLS           | Volume Recovered           | 5 BBLS                        |
| Source of Release           | 30-Inch Steel Pipeline (Low Pressure)   | Date and Hour of Occurrence               | December 6, 2010 | Date and Hour of Discovery | December 6, 2010 - 1030 hours |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" 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.\*

Failure of a segment of the thirty (30) low pressure steel pipeline resulted in the release of approximately nine (9) barrels of a mixture of crude oil and produced water. An unknown volume of natural gas was released to the atmosphere. A vacuum truck was able to recover approximately five (5) barrels of the released mixture. Following discovery of the release, the pipeline was taken out of service and depressurized. Following the repair of the pipeline, the line was placed back in service.

Describe Area Affected and Cleanup Action Taken.\*

An area of range land measuring approximately 12,500 square feet was affected by the release. The release will be remediated to 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><br><i>[Signature]</i>  |                          |
| Printed Name: Rose L. Slade          | Approved by District Supervisor <b>ENVIRONMENTAL ENGINEER</b>   |                          |
| Title: E.H.S. Compliance Specialist  | Approval Date: 12.10.10   | Expiration Date: 3.10.10 |
| E-mail Address: rose.slade@sug.com   | Conditions of Approval:   |                          |
| Date: 12-10-2010 Phone: 432-940-5147 | SUBMIT FINAL C-141 W/DOCS BY <input type="checkbox"/> Attached <input type="checkbox"/><br>IRP# 12.10. 2667 |                          |

\* Attach Additional Sheets If Necessary

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P LWS 1034741173