

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

30-005-63851

Release Notification and Corrective Action

NHmw 1104637980

OPERATOR

Initial Report Final Report

Name of Company Parallel Petroleum LLC 23357	Contact John Pennell
Address 1004 N. Big Spring Suite 400 Midland TX 79701	Telephone No. 432-254-9770
Facility Name Gate Dancer 1525-32 #1	Facility Type Natural Gas well

Surface Owner	Mineral Owner	Lease No. 501080
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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
A	32	15 S	25 E	780	NORTH	165	EAST	CHAVES

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release PROD WATER	Volume of Release 20bbbls	Volume Recovered 20bbbls
Source of Release	Date and Hour of Occurrence 02-02-2011 2-3 PM	Date and Hour of Discovery 02-02-2011 6 PM
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.	

RECEIVED
FEB 14 2011

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
3" ball valve on load line inside containment froze causing it to come apart. Release of produced water was into berm containment with 20ml liner. Vacuum truck was called to remove water. No produced water went outside of lined containment.

Describe Area Affected and Cleanup Action Taken.*
The lined containment was the only affected area. Water was removed completely. Liner (20 ml) was not damaged. There was no residual damage to line or chat after drying.
Spill was reported 02-07-2011 to Darold Gray as soon as office reopened from severe weather.

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>Kaye McCormick</i>	OIL CONSERVATION DIVISION	
Printed Name: Kaye McCormick	Approved by District Supervisor: <i>White Brannan</i>	
Title: Sr Prod & Reg Technician	Approval Date: <i>3/9/11</i>	Expiration Date:
E-mail Address: kmccormick@plll.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	
Date: 02-09-2011 Phone: 432-685-6863	Attached <input type="checkbox"/>	

2RP-607

* Attach Additional Sheets If Necessary

Spill Report/Spill Questions for Phone

Today's Date: 2-7-11
Date Spill occurred: 2-2-11 John Pennell
Time reporting: _____
Date & Time found: 2-2-11 6pm
Company: Parallel Petroleum
Person Reporting: Kay McCormick
Phone Number: (432) 684-3727
E-Mail Address: K.McCormick@P111.com
Person who found the spill: John Pennell
Location of spill: Inside TB Berm Gatedancer 15-25 #1
API #: 30-005-63851
Section, Township & Range: 32-155-25E
Quantity of Release: 20 bbls. P/W
Material: P/W
Cause: 3" ball froze + Parted
Was Watercourse reached? No
Volume impacting watercourse: N/A
Other Agency: _____
Call taken by: D. Gray
Time of Call: 2:40 p.m.
Surface owner: Private
Mineral Owner: _____
Name of Surface owner _____
Contacted? owner unknown - not contacted
Comments: 100% recovery
Affected Chat removed + Replaced

