

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

FEB - 5 2009

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

30-015-28233

Release Notification and Corrective Action

NKMW 1109034022

OPERATOR

Initial Report Final Report

Name of Company: Merit Energy Company <i>269324</i>	Contact: Jackey Williams
Address: P.O. Box 69, Loco Hills N.M., 88255	Telephone No.: 575-703-7122
Facility Name: Keel # 34 (nearest wellsite)	Facility Type: Injection line

Surface Owner: BLM	Mineral Owner: BLM	Lease No.: LC-029435-A
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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
N	7	17S	31E	1053	South	2604	West	Eddy

Latitude 32.84457 Longitude -103.90816

NATURE OF RELEASE

Type of Release: Injection water	Volume of Release: ~1000 bbls	Volume Recovered: 0
Source of Release: Injection line	Date and Hour of Occurrence: 1-20-09 ~14:00	Date and Hour of Discovery: 1/20/09 16:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jerry Berkley (BLM) & Richard Inge (OCD)	
By Whom? Jackey Williams	Date and Hour: 1/21/09 10:00	
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.*
Trenching machine operated by Ferguson hit injection line.

Describe Area Affected and Cleanup Action Taken.*
The fluids lost were contained within the ditch. The area affected measured 532' long by 2' wide to an unknown depth. No fluids were recovered. Meeting with BLM 1-22-09 to discuss required remedial actions.

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>Jackey Williams</i>	OIL CONSERVATION DIVISION	
Printed Name: Jackey Williams	Approved by District Supervisor <i>Michelle Benavente</i>	
Title: Area Foreman	Approval Date: <i>3/31/11</i>	Expiration Date:
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 1-21-09 Phone: 575-703-7122	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: <i>5/1/11</i>	

* Attach Additional Sheets If Necessary

2RP-683

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