

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

Form C-141

Revised June 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.

30-015-26386

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Merit Energy Corporation	Contact	Gene Brookshire
Address	P.O. Box 69 Loco Hills, NM 88255	Telephone No.	505-420-5497
Facility Name	Turner B South Well #85	Facility Type	Oil Well

Surface Owner	BLM	Mineral Owner	NA	Lease No.	LC-029395-B
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
B	29	17S	31E	3975	3945			Eddy

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	4 bbl	Volume Recovered	0 bbl
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Source of Release	Well head	Date and Hour of Occurrence	11/23/04 10:30 AM	Date and Hour of Discovery	11/23/04 10:30 AM
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Was Immediate Notice Given?	<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
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By Whom?	NA	Date and Hour	
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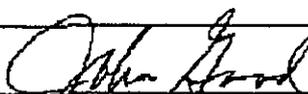
Was a Watercourse Reached?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	If YES, Volume Impacting the Watercourse	NA
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If a Watercourse was Impacted, Describe Fully*

Describe Cause of Problem and Remedial Action Taken. *
1" nipple on pumping tee broke, repaired by pumper on-site at time of release. Approximately 4-bbl of crude oil released before repair was facilitated. Clean soil was blended in to absorb liquids and material was stockpiled.

Describe Area Affected and Cleanup Action Taken. *
Approximate 1000-ft² area (5' X 200') southwest of the well head affected by ~4-bbl crude oil release. Contaminated soil was blended on site to below action levels; utilized to construct downgradient berms to prevent future off-site migration.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD 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 NMOCDD 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, NMOCDD 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:		T. Gram	OIL CONSERVATION DIVISION
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Printed Name:	John Good	Approved by District Supervisor:	by Mike Beutcher
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Title:	SESI - Project Consultant	Approval Date:	2/10/05	Expiration Date:	N/A
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E-Mail Address:	ballen@sesi-nm.com	Conditions of Approval:	N/A	<input type="checkbox"/> Attached
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Date:	1/6/2005	Phone:	505-397-0510
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