

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 October 10, 2003

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

JAN 28 2008
OCD-ARTESIA

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

Release Notification and Corrective Action

241598
3001534511 NSEB0803227804 OPERATOR ☒ Initial Report ☐ Final Report

Name of Company Fairway Resources Operating LLC	Contact Kenneth Pearce
Address 538 Silicon Drive, Suite 101, Southlake, TX 76092	Telephone No. 817-416-1946
Facility Name Midnight Matador #2	Facility Type Oil Well

Surface Owner US - BLM	Mineral Owner US - BLM	Lease No. NMLC-050158
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LOCATION OF RELEASE

Unit Letter F	Section 35	Township 17S	Range 27E	Feet from the 1,950	North/South Line North	Feet from the 2,375	East/West Line West	County Eddy
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Latitude 32 degrees 47' 33.14"

Longitude 104 degrees 14' 58.09"

NATURE OF RELEASE

Type of Release oil and produced water	Volume of Release 15 bbl	Volume Recovered 0 bbl
Source of Release flowline	Date and Hour of Occurrence 1/14/2008	Date and Hour of Discovery 1/15/2008 8:00 a.m MT
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gerry Guye	
By Whom? Kenneth Pearce	Date and Hour 1-15-2008 2:30 p.m. MST	
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.*
Flowline leaked, flowline was shut-in and leak repaired.

Describe Area Affected and Cleanup Action Taken.*

Area affected is native pasture near well pad. Contaminated soil will be disposed of at an OCD approved facility. Clean soil will be used to replaced excavated soil

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>Kenneth Pearce</i>	OIL CONSERVATION DIVISION	
Printed Name: Kenneth Pearce	Approved by District Supervisor: <i>T. Gum by SB</i>	
Title: Engineer	Approval Date: <i>2-1-2008</i>	Expiration Date:
E-mail Address: kpearce@fairwayresources.com	Conditions of Approval: REMEDATION PLAN Due 2-29-08	Attached <input type="checkbox"/>
Date: 1-23-2008 Phone: 817-416-1946		

* Attach Additional Sheets If Necessary

2RP-120