

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Energen Resources, Inc.	Contact: Ed Hasely
Address: 2010 Afton Place, Farmington, NM 87401	Telephone No: 505-324-4131
Facility Name: Federal 29-9-1 #2 (API # - 3004528787)	Facility Type: Oil/Gas Well Site

Surface Owner: Federal	Mineral Owner: Federal	Lease No. SF078201
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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	1	29N	9W	825	South	1900	West	San Juan

Latitude 36 74842

Longitude -107.73246

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 40 bbls	Volume Recovered: 0 bbls
Source of Release: Produced Water Storage Tank	Date and Hour of Occurrence: 1/21/11	Date and Hour of Discovery: 1/21/11
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? James Valenzuela - NMOCD, Kevin Schneider - BLM (left message)	
By Whom? Ed Hasely	Date and Hour: 1/21/11 at 2 15 pm - OCD, 2 35 pm - BLM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	

If a Watercourse was Impacted, Describe Fully.* NA


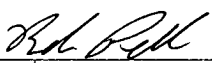
RCVD FEB 1 '11
OIL CONS. DIV.
DIST. 3

Describe Cause of Problem and Remedial Action Taken.*

A valve froze and broke on the produced water storage tank. All fluids were contained inside the bermed area. The released water soaked into the ground so there was no water standing in the bermed area to recover.

Describe Area Affected and Cleanup Action Taken.* The storage tank was moved so that the impacted soil around and beneath the equipment could be removed. Impacted soils will be excavated and transported to a commercial disposal facility. Once the impacted soils are removed, samples will be collected from the excavation and sent to a laboratory for analysis. The final C-141 submittal will include the lab reports.

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 	OIL CONSERVATION DIVISION		
Printed Name Ed Hasely	Approved by District Supervisor 		
Title Sr Environmental Engineer	Approval Date 2-1-11	Expiration Date	
E-mail Address ed.hasely@energen.com	Conditions of Approval		Attached <input type="checkbox"/>
Date 1/28/11 Phone 505-324-4131 / 505-330-3584(cell)	nJK 1122336709		

* Attach Additional Sheets If Necessary