

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

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

Release Notification and Corrective Action

API # 30-045-29426

OPERATOR Initial Report Final Report

Name of Company Elm Ridge Exploration Co. LLC d.b.a. Beeline Gas Systems	Contact Allen Lain
Address P. O. Box 1280	Telephone No. 505-634-1144
Facility Name Farfelu Well No. 1	Facility Type Pipeline

Surface Owner United States of America, Bureau of Land Management	Mineral Owner United States of America, Bureau of Land Management	Lease No. NMSF-078063
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LOCATION OF RELEASE

Unit Letter B or G	Section 19	Township 25-N	Range 11-W	Feet from the Approx. 1230	North Line	Feet from the Approx. 2200	East Line	County San Juan
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Latitude 36° 23.434' Longitude 108° 2.691'

NATURE OF RELEASE

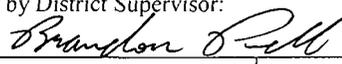
Type of Release Produced water with slight hydrocarbon content	Volume of Release 5 - 10 bbl	Volume Recovered 0 bbl liquid
Source of Release Leak in pipeline	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 2/25/2009 approximately 1500
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Kelly Roberts	
By Whom? Allen Lain	Date and Hour 2/26/2009 at 0945	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. ROVD MAR 11 10E	

If a Watercourse was Impacted, Describe Fully.*
OIL CON. DIV.

Describe Cause of Problem and Remedial Action Taken.*
Pipeline leak due to corrosion. The well was immediately shut in by company personnel and the pressure bled from the pipeline. DIST. 2

Describe Area Affected and Cleanup Action Taken.*
A contract lease service crew excavated and repaired the leak. Envirotech sampled the soil to determine the extent of the leak. Approximately 190 cubic yards of soil was removed from the leak site. The excavation was filled with remediated soil from the Envirotech land farm.

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: Allen Lain	Approved by District Supervisor: 	For: Charles Perrin
Title: Operations Manager	Approval Date: 3/11/09	Expiration Date:
E-mail Address: alain@elmridge.net	Conditions of Approval:	Attached <input type="checkbox"/>
Date: March 6, 2009	Phone: 505-634-1144	

* Attach Additional Sheets If Necessary

Incident # nRMD ~~0929350151~~
0929350151