District I/ 1625 N/French Dr., Hobbs, NM 88240 District III 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

Release Notification and Corrective Action

					OPERA	al Report	\square	Final	Report					
Name of	Company: E	Contact: Don Fernald												
Address: c/o Environmental Dept.							Telephone No. 505-599-2124							
P.O. Box 4324 Houston, Texas 77210-4324														
Facility Name: 28-7#98 Pipeline							Facility Type: pipeline - gathering							
Surface Owner: BLM Sec 29/T27N/R7W Mineral Owner							Lease No.							
				LOC	ATION	OF REI	LEASE							
Unit						/South Line Feet from the East/West Line			West Line	County Rio Arriba				
			I	_atitude		Longitu	de							
	NATURE OF RELEASE													
Type of Release: natural gas							Volume of Release: 1.1 MMscf Volume Red							
Source of Release: Pipeline											Hour of Discovery 12:55 PM			
Was Immediate Notice Given? Yes – no water impacts gas release only. Notice provided when shallow groundwater impacts verified							If YES, To Whom? Brandon Powell / NMOCD – Aztec, NM							
Yes Yes	□ No □ 1	Not Required												
By Whom? Don Fernald							Date and Hour: 6/22/10 – 2:00 PM							
Was a Watercourse Reached? Yes No							If YES, Volume Impacting the Watercourse.							
N/A	course was Im					<u> </u>								
	Cause of Probl													
Third party contractor working on well pad location working outside construction zone struck gas pipeline. No injuries, fire or damage other than pipeline.														
Shut down, isolated and repaired. RCVD JUL 14'10														
Describe Area Affected and Cleanup Action Taken.*							OIL CONS. DIV.							
Gas loss only, no liquids. Verbal notification made to NMOCD.							DIST. 3							
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.														
							OIL CONSERVATION DIVISION							
Signature: On Terral							Approved by District Supervisor:							
Printed N	ame: Don Fer	nald			Brand Sell									
Title: En	vironmental So	Approval Date: 9/21/10 Expi			Expiration	iration Date:								
E-mail Ac	ldress: dferna		Conditions of Approval:				Attached							
Date: 7/9/	10 Phone: 50	05-599-2124												

^{*} Attach Additional Sheets If Necessary