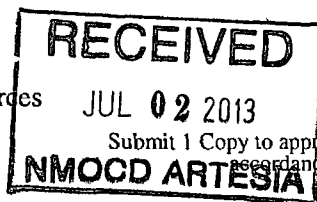


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 August 8, 2011

Release Notification and Corrective Action

nJMW1319241147 OPERATOR ☒ Initial Report ☐ Final Report

| | |
|---|-------------------------------------|
| Name of Company Southern Union Gas Services 34951 | Contact Phillip Little |
| Address P.O. Box 1226 Jal, NM 88252 | Telephone No. 575-631-2586 |
| Facility Name: Conoco Ramsey 8" | Facility Type Natural Gas Gathering |
| Surface Owner Federal | Mineral Owner Federal API No. |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-------------|
| "F" | 34 | 26S | 29E | | | | | Eddy County |

Latitude 32.002158 Longitude -103.973977

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release: Crude Oil, Natural Gas and Produced Water | Volume of Release: ~12 bbls | Volume Recovered: 0 |
| Source of Release: 8" Natural Gas Pipeline | Date and Hour of Occurrence: 6/25/2013 12:30pm | Date and Hour of Discovery: 6/25/2013 2:30pm |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| 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.* Failure of a segment of eight inch (8") low pressure pipeline resulted in the release of approximately 12 bbls of a mixture of natural gas, crude oil and produced water. Following the discovery of the release, the pipeline was fitted with temporary pipeline clamps. The affected line is currently scheduled to be capped.

Describe Area Affected and Cleanup Action Taken.* The release affected an area of right-of-way road measuring approximately 120feet in length and 5 to 15 feet in width. In addition, fluids from the release affected approximately 350 linear feet of an adjacent "ephemeral wash". The release will be remediated in accordance with NMOCD Regulatory Guidelines.

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>Phillip Little</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Phillip Little | Approved by Environmental Specialist: | Signed By: <i>Mike Brown</i> |
| Title: EHS Compliance Specialist | Approval Date: JUL 11 2013 | Expiration Date: |
| E-mail Address: phillip.little@SUG.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 7/2/13 Phone: 575-631-2586 (cell) | Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: August 11, 2013 | |

* Attach Additional Sheets If Necessary

Facility id: JMW1319240797

insp#: JMW1319241911

compliance: JMW1319241995

2RP-1713

Bratcher, Mike, EMNRD

From: Rachel Johnson <Rachel.Johnson@regencygas.com>
Sent: Tuesday, July 02, 2013 1:53 PM
To: Bratcher, Mike, EMNRD; 'rpair@blm.gov'
Subject: Initial Notification
Attachments: rachel.PDF

Good afternoon! Please see attached document for Initial Report. Joel Lowry with Basin Environmental is assisting us this job. If you have any questions please contact Joel or me. Thanks.

Rachel Johnson
Regency Field Services
Compliance Coordinator
325-514-2636

From: Baeza, Marissa <Marissa.Baeza@RegencyGas.com>
To: Rachel Johnson
Sent: Tue Jul 02 13:55:40 2013
Subject:



REGENCY

Marissa Baeza
817-302-9649