

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 June 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

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	Merit Energy Corporation	Contact	Gene Brookshire
Address	P.O. Box 69	Telephone No.	505-420-5497
Facility Name	Poly Flowline west of B4 Battery	Facility Type	Poly Flowline

Surface Owner	BLM	Mineral Owner	BLM	Lease No.
---------------	-----	---------------	-----	-----------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
F	10	17S	31E					Eddy

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Crude Oil	<5 bbl	~3 bbl

Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Poly flowline	12/28/04 7:15 AM	12/28/04 8:00 AM

Was Immediate Notice Given?	If YES, To Whom?
<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required	

By Whom?	Date and Hour
----------	---------------

Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	NA

If a Watercourse was Impacted, Describe Fully*

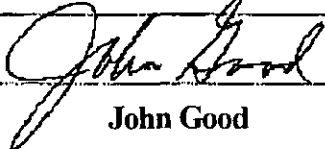

Describe Cause of Problem and Remedial Action Taken. *

Loss of integrity at "T" union in flowline. <5-bbl release, vacuum truck recovered 3-4 bbl.

Describe Area Affected and Cleanup Action Taken. *

Majority of contaminant release went onto road right-of-way. Contaminated soil removed with backhoe (small amount near release point was removed manually), blended and stockpiled east of the B4 Battery location. Will be utilized in future as berm repair material.

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:	John Good	Approved by District Supervisor: 	
Title:	Consultant - SESI	Approval Date: 1/4/05	Expiration Date: N/A
E-Mail Address:	ballen@sesi-nm.com	Conditions of Approval:	
Date:	12/29/2004	Phone:	505-397-0510
		<input type="checkbox"/> Attached	

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 June 10, 2003

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

RECEIVED

JAN 04 2005

OOD:ARTESIA

Submit 2 Copies to appropriate

District Office in accordance

with Rule 116 on back

side of form.

30-015-26001

nmlB050042882

Release Notification and Corrective Action**OPERATOR**☒ Initial Report ☒ Final Report

Name of Company		Merit Energy Corporation		Contact		Gene Brookshire		
Address		P.O. Box 69		Loco Hills, NM 88255		Telephone No.		505-420-5497
Facility Name		Poly Flowline west of B4 Battery		Facility Type		Poly Flowline		
Surface Owner		BLM		Mineral Owner		BLM		Lease No.
LOCATION OF RELEASE								
Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
F	10	17S	31E					Eddy
NATURE OF RELEASE								
Type of Release				Volume of Release		Volume Recovered		
Crude Oil				<5 bbl		~3 bbl		
Source of Release				Date and Hour of Occurrence		Date and Hour of Discovery		
Poly flowline				12/28/04 7:15 AM		12/28/04 8:00 AM		
Was Immediate Notice Given?				If YES, To Whom?				
<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required								
By Whom?				Date and Hour				
Was a Watercourse Reached?				If YES, Volume Impacting the Watercourse				
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO				NA				
If a Watercourse was Impacted, Describe Fully*								
Describe Cause of Problem and Remedial Action Taken. *								
Loss of integrity at "T" union in flowline. <5-bbl release, vacuum truck recovered 3-4 bbl.								
Describe Area Affected and Cleanup Action Taken. *								
Majority of contaminant release went onto road right-of-way. Contaminated soil removed with backhoe (small amount near release point was removed manually), blended and stockpiled east of the B4 Battery location. Will be utilized in future as berm repair material.								
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: John Good								
Title: Consultant - SESI				Approved by District Supervisor:				
E-Mail Address: ballen@sesi-nm.com				Approval Date:		Expiration Date:		
Date: 12/29/2004 Phone: 505-397-0510				Conditions of Approval:				
				<input type="checkbox"/> Attached				

