| 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.

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FEB 1 5 2011

Form C-141 Revised October 10, 2003

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

| <u>District IV</u><br>1220 S. St. Frar            |   | -  | 5   |  |                                     | St. Franc<br>, NM 875                       | ť  | IOBE                                | SUCD   |   | ith Rule                         | 116 on back<br>side of form     |
|---|---|--|---|--|-------------------------------------|---|--|-------------------------------------|--|---|----------------------------------|---------------------------------|
|   |   |  | Rel   | ease Notific   | cation                              | and Co                                      | orrective  | Actio                               | )n   |   | ·                                |                                 |
|   |   |  |   |  |                                     | <b>OPERA</b>                                | FOR  |                                     | 🛛 Initia   | al Report                                       |                                  | Final Repor                     |
|   |   | ride Energy  |   |  |                                     |   | atthew L. Pri                                      |                                     |  | · · · · · · · · · · · · · · · · · · ·           |                                  | ·····                           |
|   |   | 950, Tulsa,<br>gold Unit No  |   | 0  |                                     |   | No. 918-524<br>e Oil Well                          | -9200                               |  |   |                                  |                                 |
|   |   |  |   |  |                                     |   |  |                                     |  |   |                                  | · .                             |
| Surface Ow  | ner: Dean   | and Kennet   | h Kinsol  | ving   Mineral   | Owner:                              | Fee and B                                   | LM   |                                     | Lease N  | 10.   |                                  |                                 |
|   |   |  |   |  |                                     | N OF REI                                    |  |                                     | 0.025.   | 32850   | <u>i+00</u>                      | <u>.00</u>                      |
| Unit Letter<br>B                                  | Section<br>7  | Township<br>12S  | Range<br>38E  | Feet from the 100  | North/<br>North                     | South Line                                  | Fect from the 2075                                 | e East                              | t/West Line<br>East                              | County 1  | Lea                              |                                 |
|   |   | <b>L</b> ,   | La  | titude   | •                                   | _Longitud                                   | e  |                                     |  |   |                                  |                                 |
|   |   |  |   | NAT  | URE                                 | OF RELI                                     | EASE   |                                     |  |   |                                  |                                 |
|   |   | iter & very lit  | tle oil   |  |                                     |   | Release 23 b                                       |                                     |  | Recovered 2                                     |                                  |                                 |
| Source of Re                                      | lease Gun   | i barrel tank  |   |  |                                     | Date and H                                  | our of Occurr                                      | ence                                | Date and   | Hour of Dis                                     | соvегу                           | 1/31/11                         |
| Was Immedi  | ate Notice (  |  | Yes 🗌   | No 🗌 Not Re  | equired                             | If YES, To                                  | Whom?<br>ey Brown) (se                             | e comme                             | ents below)                                      |   |                                  |                                 |
| By Whom?  |   |  |   |  |                                     | Date and H                                  |  |                                     |  | · · · · · · · · · · · · · · · · · · ·           |                                  |                                 |
| Was a Water                                       | course Read   |  | Yes 🗵   | No   |                                     | If YES, Vo                                  | lume Impactir                                      | ng the Wa                           | atercourse.                                      |   |                                  |                                 |
| If a Watercou                                     | irse was Im   |  |   | (not applicable)   |                                     |   |  |                                     |  |   |                                  |                                 |
| The wind bro                                      | Describe Cause of Problem and Remedial Action Taken.*<br>The wind broke a polypipe waterleg on the Gun barrel tank; Gun barrel tank was isolated by closing the necessary valves; the waterleg will be repaired in the near future. |  |   |  |                                     |   |  |                                     |  |   |                                  |                                 |
| Gun barrel ta                                     | nk leak occ<br>site on 1/31   | l/11. Pumper   | ne during t   | ten.*<br>the night of 1/30/1<br>rguson) got to the   |                                     |   |  |                                     |  |   |                                  |                                 |
|   |   |  |   | ons oil) were cont<br>roximately 60' wi  |                                     |   | d area, except                                     | for a slig                          | ht spray of w                                    | ater/oil mix                                    | that affe                        | cted an                         |
| similar occur<br>enhanced the                     | rence severa<br>green-up of   | al years ago o<br>f the vegetatio                                  | n another<br>m.) The sc                             | ruck and put back<br>well in Lea Count<br>vil inside the diked   | y, this ty<br>I area wi             | pe of spray s<br>ll be delineat             | hould not dete<br>ed and remedi                    | er vegetat<br>iated as s            | tion growth an<br>oon as the ext                 | nd in this oth<br>treme cold w                  | her incid<br>veather s           | ent actually<br>subsides.       |
| regulations al<br>public health<br>should their o | l operators<br>or the envir<br>operations h<br>unent. In a  | are required to<br>conment. The<br>ave failed to a<br>ddition, NMC | o report ar<br>acceptanc<br>idequately<br>ICD accep | is true and comp<br>id/or file certain re-<br>e of a C-141 repo<br>investigate and re-<br>tance of a C-141 | elease no<br>ort by the<br>emediate | tifications ar<br>NMOCD ma<br>contamination | nd perform cor<br>arked as "Fina<br>on that pose a | rective a<br>l Report"<br>threat to | ctions for rele<br>does not reli<br>ground water | eases which a<br>eve the oper<br>b, surface way | may end<br>ator of l<br>ter, hum | langer<br>iability<br>an health |
| Signature:  | m   | xiether  | - Lit   | hide   |                                     |   | OIL CO<br>ENV ENG                                  |                                     | VATION   | <u>DIVISIO</u>                                  | <u>N</u>                         |                                 |
| Printed Name                                      | : Matthew   |  |   | Production Co.,  |                                     |   | District-Super                                     |                                     | Jeoffre  | ey Lek  | My                               |                                 |
| Title:  |   | ∣ Ti<br>   | By: Mat   | ral Partner<br>thew L. Pride   | A                                   | Approval Dat                                | e: e 2 15 1  | ١                                   | Expiration I                                     | Date: 04  | 5/1                              | •                               |
| E-mail Addre                                      | ss: mattp@  | pride-energy.  |   | esident  |                                     |   | Approval: 5  |                                     |  | Anachea   |                                  |                                 |
| Date: 2/  | 10/11   |  | I   | Phone: 918-524-9   | 200                                 | 2-141                                       | BY 041   | 12 11                               | \  | 189-04  | 1-01                             | -2601                           |

\* Attach Additional Sheets If Necessary

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# PRIDE ENERGY COMPANY

(918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com 4641 E 91<sup>st</sup> Street Mailing Address P.O.B

Physical Address: 4641 E. 91<sup>st</sup> Street Tulsa, OK 74137 Mailing Address: P.O. Box 701950 Tulsa, OK 74170-1950 Email Address: mattp@pride-energy.com

February 28, 2011

New Mexico Oil Conservation 1625 N. French Drive Hobbs, NM 88240 Via Certified Mail Return Receipt # 71 7108 2133 3738 8617 7575 and E-mail: geoffreyr.leking@state.nm.us 2 Total Pages (575) 399-2990 (M) (575) 393-6161, ext. 113

ATTN: Geoffrey R. Leking

RE: Marigold Unit No. 001 API # 30-025-32859 Section 7-12S-38E: 100' FNL and 2075" FEL of Section (Unit Letter B) Lea County, New Mexico

Dear Geoff,

In reference to the above well, please find enclosed a completed Form C-141 (Final Report).

Thank you and if there are any questions, please feel free to contact me at 918-524-9200.

Sincerely,

mother I. Pride

Matthew L. Pride Pride Energy Company

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|  |  |                        |                         |                                       | بيهام مع                                  | · · · · ·   | the the            |                       |  |
|--|--|------------------------|-------------------------|---------------------------------------|---|---|--------------------|-----------------------|--|
|  |  | oc                     | 0 EIN                   | /EN                                   |   | in the second |                    |                       |  |
| District I   |  |                        | CEI                     | Cto                                   | te of                                     | New Mex   | ico                |                       |  |
| 1625 N. French Dr., Hobbs, NM 88240<br>District II<br>1301 W. Grand Avenue, Artesia, NM 8MAR 02 2011 Energy Minerals and<br>District III |  |                        |                         |                                       |   |   | l Resources        |                       | Form C-141<br>Revised October 10, 2003                 |
| 1301 W. Grand  | Avenue, Arte   | esia, NM 8 <b>91</b> 0 | RULL                    |                                       |   | D.  | • •                |                       | Submit 2 Copies to appropriate                         |
| 1000 Rio Brazo   | s Road, Azte   | c, NM 87440            | BBSC                    |                                       | onse                                      | rvation Div   | vision             |                       | District Office in accordance                          |
| <u>District IV</u><br>1220 S. St. Fran   | cis Dr., Santa   | a Fe, NM 8750          | 5                       |                                       |   | h St. Franc   |                    |                       | with Rule 116 on back<br>side of form                  |
|  |  | ,                      |                         |                                       |   | e, NM 875   |                    |                       |  |
|  |  |                        | Rele                    | ease Notific                          | atio                                      | n and Co  | orrective A        | ction                 |  |
|  |  |                        |                         |                                       |   | <b>OPERA</b>  | ГOR                | 🔲 Initi               | al Report 🛛 🔀 Final Report                             |
|  |  | ride Energy            |                         |                                       |   | Contact M   | atthew L. Pride    |                       | · · · · · · · · · · · · · · · · · · ·                  |
|  |  | 950, Tulsa,            |                         | 0                                     |   | <b>A</b>  | No. 918-524-92     | 200                   | ·  |
| Facility Nar   | ne: Marig  | gold Unit No           | . 001                   |                                       |   | Facility Typ  | e Oil Well         |                       |  |
| Surface Ow   | ner: Dean  | and Kennet             | h Kinsol                | ving Mineral C                        | )wner                                     | : Fee and Bl  | LM                 | Lease N               | Vo.  |
|  | •  |                        | _                       | LOCA                                  | TIO                                       | NOFDEI  |                    |                       | 20000  |
| Unit Letter  | Section  | Township               | Range                   | Feet from the                         |   | South Line  | Feet from the      | East/West Line        | County   |
| B  | 7  | 12S                    | 38E                     | 100                                   | North                                     |   | 2075               | East                  | Lea  |
|  |  |                        |                         |                                       |   |   | <b>,</b>           |                       |  |
|  |  |                        | La                      | titude                                |   | Longitud  | e                  | <u> </u>              |  |
|  |  |                        |                         | NAT                                   | URE                                       | OF RELI   | EASE               |                       |  |
|  |  | ter & very litt        | le oil                  |                                       |   |   | Release 23 bbls    |                       | Recovered 23 bbls                                      |
| Source of Rel  | lease Gun  | barrel tank            |                         |                                       |   | Date and H  | lour of Occurrenc  | bate and              | Hour of Discovery 1/31/11                              |
| Was Immedia  | te Notice C  |                        |                         | · · · · · · · · · · · · · · · · · · · |   | If YES, To  |                    |                       |  |
|  |  | $\boxtimes$            | Yes                     | No 🗌 Not Red                          | quired                                    | OCD (Max  | ey Brown) (see c   | comments below)       |  |
| By Whom? S   | and the second sec |                        |                         |                                       |   | Date and H  |                    |                       |  |
| Was a Watercourse Reached?   |  |                        |                         |                                       | If YES, Volume Impacting the Watercourse. |   |                    |                       |  |
|  | -  |                        |                         |                                       |   |   |                    | =                     | <u> </u>   |
| If a Watercou  | rse was Imp  | pacted, Descri         | be Fully.*              | (not applicable)                      |   |   |                    |                       |  |
| Describe Cau   | se of Proble   | em and Remed           | lial Action             | n Taken.*□The wi                      | nd bro                                    | ke a polypipe   | waterleg on the C  | Gun barrel tank; Gu   | n barrel tank was isolated by                          |
| closing the ne   | cessary val  | yes; the water         | leg has be              | en repaired.                          |   |   |                    |                       |  |
| · .  |  |                        |                         |                                       |   |   |                    |                       |  |
| Describe Area  |  |                        |                         |                                       | oran                                      | rty morning h   | ours of 1/31/11 N  | Javey Brown, field    | inspector for NMOCD,                                   |
|  |  |                        |                         |                                       |   |   |                    |                       | d a vac truck to pick up the                           |
| released fluid   |  |                        |                         | - /-                                  |   |   | -                  |                       |  |
| All Saltwater  | and oil (23  | bbls saltwater         | · & 3 galle             | ons oil) were conta                   | ined i                                    | nside the dike  | d area, except for | a slight spray of w   | ater/oil mix that affected an                          |
|  |  |                        |                         | roximately 60' wid                    |   |   |                    | a chight optag of th  |  |
| All freewoter  | and ail was  | nicked un wi           | thavac t                |                                       | into th                                   | a ourbarral to  | ak. The area that  | hae a slight sprav u  | vill be monitored. (Based on a                         |
| similar occurr   | ence severa  | al years ago or        | 1 another               | well in Lea County                    | , this t                                  | sype of spray s   | hould not deter v  | egetation growth a    | nd in this other incident actually                     |
|  |  |                        |                         | il inside the diked                   |   |   |                    |                       |  |
| L hereby certit  | fy that the in   | nformation ai          | ven ahove               | is true and comple                    | te to t                                   | he best of my   | knowledge and u    | nderstand that purs   | uant to NMOCD rules and                                |
| regulations al   | operators a  | are required to        | ) report an             | d/or file certain re                  | lease n                                   | otifications an   | d perform correct  | tive actions for rele | ases which may endanger                                |
| public health  | or the envir   | onment. The            | acceptanc               | e of a C-141 repor                    | t by th                                   | e NMOCD ma  | arked as "Final R  | eport" does not reli  | eve the operator of liability                          |
|  |  |                        |                         |                                       |   |   |                    |                       | , surface water, human health populance with any other |
| federal, state,  |  |                        |                         |                                       | portu                                     | ous not renew   |                    | tesponsionity for ex  | sinplication with any other                            |
|  |  |                        |                         |                                       |   |   | OIL CON            | SERVATION             | DIVISION   |
| Signature:   | ma   | Ala                    | Lip                     | ride                                  |   |   |                    |                       |  |
| Signature.   |  |                        |                         |                                       |   | Approved by   | District Supervise | or.                   |  |
| Printed Name   | : Matthew  |                        |                         | Production Co., I                     | nc.                                       |   |                    |                       |  |
| Title  | •  |                        |                         | eral Partner                          |   | Approval Date   | <b>.</b> .         | Expiration I          | Date:  |
| Title:   |  |                        | By: Mattl<br>Title: Pre | new L. Pride<br>sident                | Ļ   | Approvat Dati   |                    |                       |  |
| E-mail Addre   | ss: mattp@   | pride-energy.c         | com                     |                                       | <u> </u>                                  | Conditions of   | Approval:          |                       | Attached   |
| Data: 2/   | 28/11  |                        | т                       | hone 010 674 07                       | <u></u>                                   |   |                    |                       | 1RP-04-01-2601   |
| Date: 2/   | 28/11  |                        | <u>r</u>                | hone: 918-524-92                      | <u> </u>                                  |   |                    |                       |  |

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\* Attach Additional Sheets If Necessary

| 1625 N. French Dr., Flobos, NM 88240       Energy Mineral         District II       Energy Mineral         1301 W. Grand Avenue, Artesia, NM 88210       Oil Cons         District III       Oil Cons         1000 Rio Brazos Road, Aztec, NM 87410       BBSOCD         District IV       1220 S. St. Francis Dr., Santa Fe, NM 8540 | of New MexicoForm C-141Is and Natural ResourcesRevised October 10, 2003ervation DivisionSubmit 2 Copies to appropriateith St. Francis Dr.District Office in accordanceFe, NM 87505with Rule 116 on backside of form  |  |  |  |  |
|---|--|--|--|--|--|
| Release Notification  | on and Corrective Action   |  |  |  |  |
| Name of Company: Pride Energy Company   | OPERATOR Initial Report Final Report   |  |  |  |  |
| Address: PO Box 701950, Tulsa, OK 74170   | Telephone No. 918-524-9200   |  |  |  |  |
| Facility Name: Marigold Unit No. 001  | Facility Type Oil Well   |  |  |  |  |
| Surface Owner: Dean and Kenneth Kinsolving Mineral Owner  | er: Fee and BLM Lease No.  |  |  |  |  |
| LOCATIO   | DN OF RELEASE API # 30,025,32859.00.00   |  |  |  |  |
| Unit LetterSectionTownshipRangeFeet from theNorB712S38E100Nor   | th/South Line Feet from the East/West Line County  |  |  |  |  |
| Latitude  | Longitude  |  |  |  |  |
| NATUR   | E OF RELEASE   |  |  |  |  |
| Type of Release: Saltwater & very little oil  | Volume of Release 23 bbls Volume Recovered 23 bbls   |  |  |  |  |
| Source of Release Gun barrel tank   | Date and Hour of Occurrence         Date and Hour of Discovery         1/31/11           1/31/11         1/31/11   |  |  |  |  |
| Was Immediate Notice Given?   | If YES, To Whom?<br>d OCD (Maxey Brown) (see comments below)   |  |  |  |  |
| By Whom? See Comments Below   | Date and Hour  |  |  |  |  |
| Was a Watercourse Reached?  | If YES, Volume Impacting the Watercourse.  |  |  |  |  |
| Yes No  |  |  |  |  |  |
| If a Watercourse was Impacted, Describe Fully.* (not applicable)  |  |  |  |  |  |
| Describe Cause of Problem and Remedial Action Taken.* The wind b closing the necessary valves; the waterleg has been repaired.  | roke a polypipe waterleg on the Gun barrel tank; Gun barrel tank was isolated by   |  |  |  |  |
| inspected the site on 1/31/11. Pumper (Shane Ferguson) got to the well released fluids on 1/31/11.  | carly morning hours of 1/31/11. Maxey Brown, field inspector for NMOCD, for daily gauging and discovered the release & called a vac truck to pick up the   |  |  |  |  |
| All Saltwater and oil (23 bbls saltwater & 3 gallons oil) were contained<br>area adjacent to the well location which was approximately 60' wide &   | , inside the diked area, except for a slight spray of water/oil mix that affected an 180' long.  |  |  |  |  |
| All freewater and oil was picked up with a vac. truck and put back into<br>similar occurrence several years ago on another well in Lea County, thi<br>enhanced the green-up of the vegetation.) The soil inside the diked area  | the gunbarrel tank. The area that has a slight spray will be monitored. (Based on a s type of spray should not deter vegetation growth and in this other incident actually has now been remediated.  |  |  |  |  |
| regulations all operators are required to report and/or file certain release<br>public health or the environment. The acceptance of a C-141 report by<br>should their operations have failed to adequately investigate and remed  | the best of my knowledge and understand that pursuant to NMOCD rules and<br>e notifications and perform corrective actions for releases which may endanger<br>the NMOCD marked as "Final Report" does not relieve the operator of liability<br>iate contamination that pose a threat to ground water, surface water, human health<br>t does not relieve the operator of responsibility for compliance with any other |  |  |  |  |
| Signature: Matthew L. Prisco  | OIL CONSERVATION DIVISION  |  |  |  |  |
| Printed Name: Matthew L. Pride By: Pride Production Co., Inc.   | Approved by District Supervisor:   |  |  |  |  |
| , little: General Partner   | Amazul Data  |  |  |  |  |
|   | Approval Date: Expiration Date:  |  |  |  |  |
| E-mail Address: mattp@pridc-energy.com  | Conditions of Approval: Attached   |  |  |  |  |
| Date:         2/28/11         Phone: 918-524-9200           * Attach Additional Sheets If Necessary   | 1R.P-04-01-2601  |  |  |  |  |

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| District I   |               |                              |  | S+  | nta of    | New Mex                      |   |             |                         | /EC         | 2   |
|--|---------------|------------------------------|--|---|-----------|------------------------------|---|-------------|-------------------------|-------------|---|
| 1625 N. French<br>District II  | Dr., Hobbs,   | NM 88240                     | ,  |   |           |                              |   |             |                         | -           | Form C-141  |
| 1301 W. Grand  | Avenue, Art   | esia, NM 88210               | 0  |   |           |                              |   | FEB 1       | 121                     | hι.,        | Revised October 10, 2003<br>2 Copies to appropriate<br>ci Office in accordance<br>with Rule 116 on back |
| <u>District III</u><br>1000 Rio Brazo  | s Road, Azte  | c, NM 87410                  | •  |   |           | vation Div                   |   | <b>A</b> .  |                         | Distric     | 2 Copies to appropriate<br>at Office in accordance  |
| District IV<br>1220 S. St. Fran  | cis Dr., Sant | a Fe, NM 8750                | 5  |   |           | St. Franc                    |   | OBF         | 501                     | JU          | with Rule 116 on back<br>side of form   |
|  |               |                              |  |   | _         | . NM 875                     | ·····   |             |                         |             | <u> </u>  |
|  |               |                              | Rei  | ease Notific                                      | atio      |                              |   |             |                         |             |   |
| N  |               |                              | <u></u>  |   |           | <b>OPERA</b>                 |   |             | 🛛 Initi                 | al Report   | Final Report  |
| Name of Co<br>Address: P   |               |                              |  |   |           |                              | atthew L. Pride<br>to. 918-524-92                 |             |                         |             |   |
| Facility Nar   |               |                              |  |   |           |                              | c Oil Well  |             | · · ·                   |             | · · · · · · · · · · · · · · · · · · ·   |
| Surface Ow   | ner: Dean     | and Kennet                   | h Kinsol   | ving Mineral                                      | Owner     | Fee and B.                   | .M  |             | Lease N                 | 10          |   |
|  |               |                              |  |   |           |                              |   |             |                         |             | 2-2 Contra (Yuc)  |
| Unit Letter  | Section       | Township                     | Range  | Feet from the                                     | North     | South Line                   | Feet from the                                     | VH 5        | C C 2                   | County      | 32-8541000  |
| B  | 7             | 125                          | 38E  | 100   | North     | - Juni Lille                 | 2075  |             | 251 1.11K.<br>251       | County      | Lea   |
| <u> </u>   | L             |                              | <u> </u>   | l   | Ĺ         | <u></u>                      |   | L           |                         | L           |   |
|  |               |                              | La   | titude  | ·         | Longitud                     | e   |             |                         |             | •   |
|  |               |                              |  | NAT   | URE       | OF REL                       | EASE  |             |                         | · .         |   |
| Type of Relea  |               |                              | tle oil  |   |           | Volume of                    | Release 23 bbls                                   |             |                         |             | 23 bbls   |
| Source of Kei  | case Gun      | oarrei tank                  |  |   |           | 1/31/11                      | our of Occurrence                                 | æ           | Date and                | Hour of D   | hiscovery 1/31/11   |
| Was Immedia  | tte Notice (  |                              |  |   |           | If YES, To                   |   | l,_         |                         | ··          |   |
| By Whom? S   | Comment       |                              |  | No 🗌 Not Re                                       | quired    | · · · · ·                    | ey Brown) (see c                                  | comments    | below)                  |             | ·   |
| Was a Watero   |               |                              |  |   |           | Date and I<br>If YES, Vo     | our<br>lume impacting t                           | the Water   | course.                 |             |   |
|  |               |                              | Yes 🛛  | No  |           |                              | - F 6   |             |                         | ş           |   |
| If a Watercou  | rse was Im    | pacted. Descr                | ibc Fully.   | (not applicable)                                  |           | <b></b>                      |   |             |                         |             |   |
| Describe Cau   | se of Proble  | m and Reme                   | dial Actio   | n Taken *   |           |                              |   |             |                         | · ·         | ·   |
| The wind bro   | ke a polypi   |                              |  |   | barrel ta | nk was isolat                | d by closing the                                  | necessary   | valves; t               | he waterle  | g will be repaired in   |
| the near futur   | е.            |                              |  |   |           |                              |   |             |                         |             |   |
| Describe Area  | Affected a    | and Cleanup A                | Action Tal   | ken.*   | 1         |                              |   |             |                         |             | ( )(1000)   |
| inspected the  | site on 1/31  | urrea someun<br>1/11. Pumper | ac during<br>(Shane Fe                               | the night of 1/30/1<br>rguson) got to the         | well for  | ty morning h<br>daily gaugin | g and discovered                                  | the release | wn, tield<br>se & calle | d a vac tri | tor NMOCD,<br>ack to pick up the  |
| released fluid   | s on 1/31/1   | 1.                           |  |   |           |                              |   |             |                         |             | • •   |
| All Saltwater  | and oil (23   | bbls saltwate                | r & 3 gall   | ons oil) were cont                                | ained, ir | side the dike                | l arca, except for                                | a slight s  | pray of w               | ater/oil mi | ix that affected an   |
| area adjacent  | to the well   | location whic                | h was app  | roximately 60° wi                                 | de & 18   | 0° long.                     |   | _           |                         |             |   |
| All freewater  | and oil was   | picked up w                  | ith a vac.   | truck and put back                                | into the  | gunbarrel ta                 | nk. The area that                                 | has a slig  | ht spray v              | vill be mor | nitored. (Bused on a  |
|  |               |                              |  |   |           |                              |   |             |                         |             | other incident actually<br>weather subsides.  |
| cananceu ule   |               |                              |  |   |           |                              |   | -           |                         |             |   |
|  |               | •                            |  | is true and compl<br>id/or file certain n         |           |                              |   | -           |                         |             |   |
|  | or the envir  | onment. The                  | acceptant  | e of a C-141 repo                                 | rt by the | NMOCD ma                     | rked as "Final R                                  | eport" dos  | es not reli             | eve the op  | crator of liability   |
| regulations all public health  |               |                              |  |   |           |                              |   |             |                         |             | vater, human health   |
| regulations all<br>public health a<br>should their o   | ment in a     |                              |  |   |           |                              |   |             |                         |             |   |
| regulations all<br>public health<br>should their of<br>or the environ  |               |                              |  |   |           |                              | OIL CON   | SERVA       | TION                    | DIVISI      | <u>on</u>   |
| regulations all<br>public health<br>should their of<br>or the environ  | or local lav  | <u>и</u> .                   | 1 70.  |   | L L       |                              | ENV RUCK  | INCO        | PZ' -                   |             |   |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.  | or local lav  | them.                        | L.Ph   | jal   |           |                              |   |             | ~^^                     |             | _ U (\ * 1  |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.<br>Signature:  | or local law  |                              |  |   | /         |                              | District Supervise                                |             | W.G                     | nen         | JelRim !!   |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.<br>Signature:<br>Printed Name  | or local law  | L. Pride B                   | y: Pride   | Production Co., I                                 | inc       | Approved by                  | District Supervise                                | <u> </u>    | erff                    | frey        | Jelen   |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.<br>Signature:  | or local law  | L. Pride B                   | y: Pride<br>tle: Gene<br>By: Mat                     | Production Co., I<br>ral Partner<br>thew L. Pride | inc.      | Approved by<br>Approval Date | District Supervis                                 | - <u>5</u>  | piration 1              | Jale: 0     | Jelenny<br>4/15/11  |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.<br>Signature:<br>Printed Name  | or local lav  | L. Pride By                  | r: Pride<br>tle: Gene<br>By: Mat<br>Title: Pr        | Production Co., I                                 | inc.      | Approved by<br>Approval Date | District Supervise<br>:: 02[15]1<br>Approval: 546 |             | · .                     |             | Jelem<br>4(15/11)   |
| regulations all<br>public health<br>should their o<br>or the environ<br>federal, state.<br>Signature:<br><u>Printed Name</u><br>Title:<br><u>E-mail Addree</u> | or local lav  | L. Pride By                  | r: Pride<br>tle: Gene<br>By: Mat<br>Title: Pr<br>com | Production Co., I<br>ral Partner<br>thew L. Pride | inc.      | Approved by<br>Approval Date | District Supervis                                 |             | · .                     |             | Jelen<br>4(15/11)<br>-04-01-260   |

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| RE | C | E | V | Εŋ         |
|----|---|---|---|------------|
|    |   |   |   | Come March |

mp12044.kh

| PRIDE ENERGY COMPANY | H ZU()<br>BSUCE |
|----------------------|-----------------|
|----------------------|-----------------|

Mailing Address: Email Address:

(918) 524-9200 + Fax (918) 524-9292 + www.pride-energy.com P.O. Box 701950 Tulsa, OK 74170-1950 mattp@pride-energy.com

4641 E. 91" Street Tulsa, OK 74137 Physical Address:

February 11, 2011

New Mexico Oil Conservation 1625 N. French Drive Hobbs, NM 88240

Via Certified Mail Return Receipt # and E-mail: gcoffreyr.leking@state.nm.us 2 Total Pages (575) 399-2990 (M) (575) 393-6161, ext. 113

ATTN: Geoffrey R. Leking

RE: Marigold Unit No. 001 API # 30-025-32859 Section 7-12S-38E: 100' FNL and 2075" FEL of Section (Unit Letter B) Lea County, New Mexico

Dear Geoff,

In reference to the above well and our telephone conversation on February 9, 2011, please find enclosed a completed Form C-141.

Thank you and if there are any questions, please feel free to contact me at 918-524-9200.

Sincerely,

Matther L. Phide

Matthew L. Pride Pride Energy Company

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

RECEIVED State of N

Energy Minerals and Natural Resources 1 5 2011

Form C-141 Revised October 10, 2003

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Oil Conservation DivisionOBBSUCD

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

Santa Fe, NM 87505

### **Release Notification and Corrective Action**

|   | OPERATOR                   | 🛛 Initial Report | Final Report |
|---|----------------------------|------------------|--------------|
| Name of Company: Pride Energy Company   | Contact Matthew L. Pride   |                  |              |
| Address: PO Box 701950, Tulsa, OK 74170 | Telephone No. 918-524-9200 |                  |              |
| Facility Name: Marigold Unit No. 001    | Facility Type Oil Well     |                  |              |
|   |                            |                  |              |

Surface Owner: Dean and Kenneth Kinsolving | Mineral Owner: Fee and BLM

j

Lease No.

## LOCATION OF RELEASE API # 30.025.32854.00.00

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| В           | 7       | 12S      | 38E   | 100           | North            | 2075          | East           | Lea    |
|             |         |          | ļ     |               |                  |               |                |        |

Latitude

Longitude

#### NATURE OF RELEASE

| Type of Release: Saltwater & very little oil                                    | Volume of Release 23 bbls                | Volume Recovered 23 bbls                      |
|---|--|---|
| Source of Release Gun barrel tank   | Date and Hour of Occurrence 1/31/11      | Date and Hour of Discovery 1/31/11            |
| Was Immediate Notice Given?   | If YES, To Whom?                         |   |
| Yes IN No IN Not Required   | OCD (Maxey Brown) (see comment           | ts below)                                     |
| By Whom? See Comments Below   | Date and Hour                            |   |
| Was a Watercourse Reached?  | If YES, Volume Impacting the Wate        | ercourse.                                     |
| 🗌 Yes 🖾 No  |  |   |
| If a Watercourse was Impacted, Describe Fully.* (not applicable)                |  |   |
| Describe Cause of Problem and Remedial Action Taken.*                           |  |   |
| The wind broke a polypipe waterleg on the Gun barrel tank; Gun barrel tan       | k was isolated by closing the necessar   | ry valves; the waterleg will be repaired in   |
| the near future.  |  |   |
|   |  | •   |
| Describe Area Affected and Cleanup Action Taken.*                               |  |   |
| Gun barrel tank leak occurred sometime during the night of 1/30/11 or carl      |  |   |
| inspected the site on 1/31/11. Pumper (Shane Ferguson) got to the well for      | daily gauging and discovered the rele    | ase & called a vac truck to pick up the       |
| released fluids on 1/31/11.   |  |   |
|   |  |   |
| All Saltwater and oil (23 bbls saltwater & 3 gallons oil) were contained, in    |  | spray of water/oil mix that affected an       |
| area adjacent to the well location which was approximately 60' wide & 18        | 0° long.                                 |   |
| All freewater and oil was picked up with a vac. truck and put back into the     | aunharrel tank. The area that has a sli  | ight spray will be monitored (Based on a      |
| similar occurrence several years ago on another well in Lea County, this ty     | me of spray should not deter vegetation  | in growth and in this other incident actually |
| enhanced the green-up of the vegetation.) The soil inside the diked area wi     | Il be delineated and remediated as soo   | on as the extreme cold weather subsides.      |
|   |  | · ·   |
| I hereby certify that the information given above is true and complete to th    | e best of my knowledge and understar     | nd that pursuant to NMOCD rules and           |
| regulations all operators are required to report and/or file certain release no | tifications and perform corrective acti  | ions for releases which may endanger          |
| public health or the environment. The acceptance of a C-141 report by the       | NMOCD marked as "Final Report" d         | loes not relieve the operator of liability    |
| should their operations have failed to adequately investigate and remediate     | contamination that pose a threat to gr   | ound water, surface water, human health       |
| or the environment. In addition, NMOCD acceptance of a C-141 report do          | bes not relieve the operator of responsi | bility for compliance with any other          |
| federal, state, or local laws and/or regulations.                               |  |   |
|   | <u>OIL CONSERV</u>                       | ATION DIVISION                                |
| Signature: Matthen L. Pride   |  |   |
| cyBurdler.  | ENV ENGINEER.                            | 0.0   |
| Drieted Newsy Motthewell, Bride   | Approved by District Supervisor: 7       | and any There                                 |
| Printed Name: Matthew L. Pride By: Pride Production Co., Inc.                   | ¥  | affind south                                  |
| Title: General Partner  | Approval Date: 021511                    | Expiration Date: 041511                       |
| Title: By: Matthew L. Pride   |  | Supration 1940. 0 1110101                     |
| E-mail Address: mattp@pride-energy.com  | Conditions of Approval: SUBMIT           | FINAL   |
|   | C-141 BY 04/15/11 1                      | Attacheo                                      |
| Date: 2/10/11 Phone: 918-524-9200   | C-INI DI OTIOINI                         | IRP-04-01-2601                                |

Phone: 918-524-9200

\* Attach Additional Sheets If Necessary

2/10/11

Date:

| New | Mexico |  |
|-----|--------|--|
|     |        |  |

1220 South St. Francis Dr.

# PRIDE ENERGY COMPANY BSOCD

 (918) 524-9200 ♦ Fax (918) 524-9292 ♦ www.pride-energy.com

 Physical Address:
 4641 E. 91<sup>st</sup> Street

 Mailing Address:
 P.O. Bo

Tulsa, OK 74137

Mailing Address: P.O. Box 701950 Tulsa, OK 74170-1950 Email Address: mattp@pride-energy.com

February 11, 2011

New Mexico Oil Conservation 1625 N. French Drive Hobbs, NM 88240 Via Certified Mail Return Receipt # 78 2133 3738 8584 0841 and E-mail: geoffreyr.le. 3state.nm.us 2 Total Pages (575) 399-2990 (M) (575) 393-6161, ext. 113

RECEIVED

ATTN: Geoffrey R. Leking

RE: Marigold Unit No. 001 API # 30-025-32859 Section 7-12S-38E: 100' FNL and 2075" FEL of Section (Unit Letter B) Lea County, New Mexico

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Sincerely,

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