

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.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

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	Southern Union Gas Serv. Ltd.	Contact	Tony Savoie
Address	P.O. Box 1226 Jal, N.M. 88252	Telephone No.	505-395-2116
Facility Name	Lea County Field Dept.	Facility Type	Natural Gas Gathering

Surface Owner	State	Mineral Owner	State	Lease No.
---------------	-------	---------------	-------	-----------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	12	26S	36E					Lea

Latitude N32 03.896 Longitude W103 13.024

NATURE OF RELEASE

Type of Release	Natural Gas, oil, and water	Volume of Release	651,000 MCF Nat. Gas, 271 bls Produced water, 25 bls condensate	Volume Recovered	230 bls Produced water, 20 bls condensate.
Source of Release	Pipeline	Date and Hour of Occurrence	18:15 3/23/06	Date and Hour of Discovery	3/23/06 @ 18:20
Was Immediate Notice Given?	X Yes No Not Required	If YES, To Whom?	Gary Wink		
By Whom?		Date and Hour	3/23/06 at 18:50		
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.*

A hole developed in the 16" pipeline and released the fluid and gas. Normal operating pressure is 25 P.S.I Sweet gas. At the time of the release the pipeline was being pigged and an estimated 2700 bls of fluid was coming into the receiver at approximately 70 P.S.I. Once the release was discovered a backhoe was dispatched to dam up and contain the fluid until the line could be blown-down.

Describe Area Affected and Cleanup Action Taken. * Approximately 53,935 sq. ft. of caliche road and approximately 11,500 sq. ft. of pastureland was affected by the release. The heavily saturated soil was removed from the caliche road and pasture and transported to the company owned and operated land-farm.

The affected area will be remediated in accordance to the NMOCD recommended guidelines on leaks and spills.

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>Tony Savoie</i>	OIL CONSERVATION DIVISION	
Printed Name:	John A. Savoie	Approved by District Supervisor:	
Title:	EH&S Comp. Coord.	Approval Date:	Expiration Date:
E-mail Address:	jasavoie@sidrichgas.com	Conditions of Approval:	
Date: 3/27/06	Phone: 505-395-2116	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

OGRID - 21232

facility - PPAC 0609331415
incident - PPAC 0609331536
application - PPAC 0609331948