

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 March 17, 1999

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

Release Notification and Corrective Action

Name of Company <u>BOLD ENERGY LP</u>		Contact <input checked="" type="checkbox"/> Initial Report <input type="checkbox"/> Final Report
Address <u>415 W. WALL M. JLANE, TX 79701</u>		Telephone No. <input type="checkbox"/> <u>432-686-1100</u>
Facility Name <u>Antelope Ridge Unit 1-G SWD</u>		Facility Type <input type="checkbox"/> <u>SWD FACILITY</u>
Surface Owner <u>Cavea</u>	Mineral Owner <u>State</u>	Lease No. <input type="checkbox"/> <u>30 025 21740</u>

LOCATION OF RELEASE

Unit Letter <u>L</u>	Section <u>34</u>	Township <u>23S</u>	Range <u>34E</u>	Feet from the	North/South Line	Feet from the	East/West Line	County <input type="checkbox"/> <u>WTR.</u>
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NATURE OF RELEASE

Type of Release <u>PRODUCED WATER</u>	Volume of Release <u>340</u>	Volume Recovered <input type="checkbox"/> <u>240</u>
Source of Release <u>TANK OVERFLOW</u>	Date and Hour of Occurrence	Date and Hour of Discovery <input type="checkbox"/> <u>9-20-06</u>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>9-20-06 @ 6:00 AM</u> <u>PAT CAPERTON @ 1:30 PM ON 9-20-06</u>	
By Whom? <input type="checkbox"/> <u>ALLEN HODGE FOR DONNY MONZEY</u>	Date and Hour <input type="checkbox"/> <u>9-20-06 @ 1:30 PM</u>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <u>N/A</u>	

If a Watercourse was Impacted, Describe Fully.*

N/A

Describe Cause of Problem and Remedial Action Taken.*

VALVE WAS CLOSED @ INT WELL CAUSED TANK @ FACILITY TO OVERFLOW OUT TO GROUND
VAC. TRUCK WAS USED + RECOVERED 240 bbl

Describe Area Affected and Cleanup Action Taken.*

SPILL STAYED WITH IN COURSES OF FACILITY AND DID NOT GET IN PASTURE
IMPACTED SOILS WILL BE PICK UP AND USED INSIDE THE FACILITY
PLEASE SEE ATTACHED WORK PLAN.

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: <u>Donny Monzey</u>		OIL CONSERVATION DIVISION	
Printed Name: <u>Donny Monzey</u>		Approved by <input type="checkbox"/> District Supervisor: <u>[Signature]</u>	
Title: <u>Prod. Supt.</u>		Approval Date: <u>10-12-06</u>	Expiration Date: <u>11-12-06</u>
Date: <u>9/21/06</u>	Phone: <u>432-661-8803</u>	Conditions of Approval: <u>ADD INFORMATION</u>	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

API 30.025.21740

incident - n PACO628635798
application - n PACO628635949 RP#1076





PHOENIX ENVIRONMENTAL LLC

P.O. Box 1856

2113 French Dr.

Hobbs, NM 88241-1856

Office 505-391-9685

Fax 505-391-9687

August 21, 2006

Bold Energy, LP
415 W. Wall Ste. 500
Midland, Texas 79701

Attn: Mr. Donny Money

**RE: Work Plan to Clean Up the Antelope Ridge Unit #1-G SWD Spill
Located in UL L, Sec 34, T23S and R34E of Lea County, New Mexico**

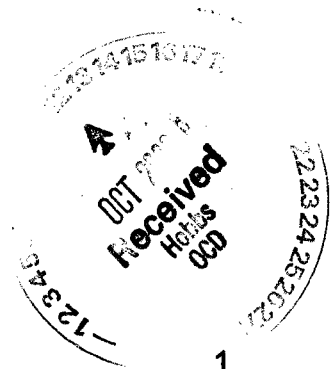
Dear Mr. Money:

Phoenix Environmental, LLC (Phoenix) would like to take this time to thank you and Bold Energy, LP for the opportunity to provide our professional services on the site remediation of the above listed site that is located in Lea Co. New Mexico.

If you have any questions and/or need more data in regards to this project please call at any time.

Sincerely,

Allen Hodge, REM
VP Operations
Phoenix Environmental LLC



Summary/Overview

The Antelope Ridge Unit #1-G SWD Spill site should be completed and remediated in accordance with the standards of the NMOCD. It is our understanding that any potential contamination from the site was a result of activities associated with the production of oil and gas.

The potential contaminants of concern are mid to high-level concentrations of produced water that was lost due to the fact that the valve was closed at the disposal well and the storage tanks ran over and spilled on to the ground and were absorbed by the near surface soils.

The lands primary use is domestic pasture for ranching and the production of oil and gas.

The ground water depth data available for this area showed the depth to ground water to be in the 280' range BGS.

Pursuant to the standards of the NMOCD, the clean up level for this site will be at <5,000ppm of TPH, <50ppm for BTEX and Chlorides less than <250ppm.

The following scope of work was based on data from our site visit and the requirements of the NMOCD for site clean up.

The spill at the site was 340bbl with 240bbl that was recovered with a total of 100bbl lost that was absorbed by the near surface soils. All of the spill stayed inside the facility and did not get into the pasture. Due to the fact that Bold Energy is rebuilding the facility with new tanks, pumps and new containment, the impacted soils will be picked up and stabilized and used for the new berms and secondary containment at the facility.

Scope of Work for Impacted Soils

NOTE: Phoenix for the purpose of this work plan will estimate that there is approximately 500cyds of impacted soils at the site that needs to be addressed for site clean up.

1. First Phoenix will call One-Call for line spot clearance before any excavation at the site is started.



2. Phoenix will mobilize to the site located at Antelope Ridge, NM equipment and personnel necessary to start and complete the site remediation as required, getting the site back into compliance.
3. Impacted soils at the site will be excavated and stabilized with clean caliche that is on site for the new berms. These soils will be stockpiled until all of the new tanks and pumps are in place.
4. Phoenix will field screen the site during the excavation and once the TPH and CL has dropped below clean up requirements final samples will be taken and sent to a third party lab for analysis.
5. Once all of the remediation criteria have been met for site clean up and compliance, the site will be backfilled with clean material from the site.
6. Once all of the clean up criteria have been met, a final closure report will be prepared by Phoenix. This report will include a summary of remediation operations, findings on-site and lab analysis, site maps and project photos.

If you have any questions and/or need more data in regards to this project please call 505-631-8314 at any time.

Sincerely,



Allen Hodge, REM
VP Operations
Phoenix Environmental LLC

