

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: Duke Energy Field Services, LP	Contact: Lynn Ward
Address: 10 Desta Dr., Suite 400-W, Midland, TX 79705	Telephone No.: 432/620-4207
Facility Name: P - Line	Facility Type: Inlet Pipeline to Eunice Plant

Surface Owner	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	S	215	36E					

100'

Latitude 32.51429 Longitude -103.2845

NATURE OF RELEASE

Type of Release: Natural Gas/Natural Gas Liquids	Volume of Release: 1.726 MMscf < 1 bbl NGL	Volume Recovered: 0
Source of Release: Rupture of the inlet P- Line to Eunice Gas Plant	Date and Hour of Occurrence: 06/23/06 @ 9:07 am MST	Date and Hour of Discovery 06/23/06 @ 9:07 am MST
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink	
By Whom? Lynn Ward	Date and Hour 6/23/06 @ 9:55 am MST	
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.*

NA

Describe Cause of Problem and Remedial Action Taken.*

The inlet P - Line to Eunice Gas Plant failed at 9:07 am MST on 6/23/06. The rupture occurred when the line was at 650 psi (not exceeding the MAOP). The rupture was caused by internal corrosion. The line is an 8" steel pipeline that was replaced 6 years ago. The gas transports low H2S containing field gas to Eunice Plant for processing. The investigation of the pipeline failure strongly suggests internal corrosion from CO2 concentrations in the raw field gas. The pipeline was pigged 6 hours prior to the rupture thus minimal quantities of liquids were released from the rupture. All visual contamination was removed and disposed at the landfarm operated by Environmental Plus, Inc. Samples were collected from the point of rupture to verify the soils remaining were not contaminated. Analytical results will be submitted with the final C-141.

Describe Area Affected and Cleanup Action Taken.*

Surface soils were scrapped. Soils inside the point of release (excavation) were removed and placed in the landfarm owned and operated by Environmental Plus, Inc. Impact to soils was surficial. The P - Line had been pigged 6 hours prior to the rupture thus most of the normally occurring liquids had been swept from the line.

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>Lynn Ward</i>	OIL CONSERVATION DIVISION	
Printed Name: LYNN WARD	Approved by District Supervisor: <i>[Signature]</i>	
Title: ENV. SPECIALIST	Approval Date: 6-27-07	Expiration Date:
E-mail Address: lward@duke-energy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 7/3/06 Phone: 432/620-4207	<i>Submit Final Report</i>	

* Attach Additional Sheets If Necessary

Facility - FPAC0619934833
Incident - FPAC0619934932
Kevin Garber, Facility 2.1.1.2 application - FPAC0619935259
Liz Klein, Corp. 2.1.1.2
Lynn Ward, Reg. 2.1.1.2
RP# - 958