

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: Arena Resources, Inc.	Contact: Fred Holmes
Address: 2130 W. Bender Blvd.	Telephone No.: 575-738-1739 - 432-631-3757
Facility Name: Phillip Lea Well No. 8	Facility Type: Producing Oil Well

Surface Owner: State of New Mexico	Mineral Owner: State of New Mexico	Lease No.: API: 30-025-23582
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LOCATION OF RELEASE

Unit Letter N	Section 31	Township 17S	Range 34E	Feet from the 990	North/South Line S	Feet from the 1650	East/West Line W	County Lea
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Latitude: 32 47' 12.1" Longitude: 103 36' 09.0"

NATURE OF RELEASE

Type of Release: Crude Oil/Produced Water	Volume of Release: 35	Volume Recovered: 25
Source of Release: Wellhead	Date and Hour of Occurrence: 11/17/08 - 0800	Date and Hour of Discovery: 11/17/08 - 0830
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking	
By Whom? Fred Holmes	Date and Hour: 11/17/08 - 12:00	
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.*:

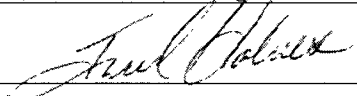
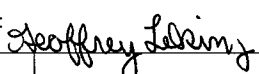
WATER > 100'

Describe Cause of Problem and Remedial Action Taken.*: Line pressure caused packing at wellhead to fail. Well was shut in and free liquids removed.

Describe Area Affected and Cleanup Action Taken.* : Area affected is approximately 4200 sq. ft with a estimated vertical impact of 6". Impacted soil will be excavated to acceptable levels. Impacted soil will be blended with clean fill to less than 500 mg/kg of TPH and Chlorides. Oil gator and calcium nitrate (biological degradation additive/chloride amendment) will be added to further reduce TPH & chlorides. Treated soil will be placed back into the excavated area.

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.

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor: 	
Printed Name: Fred Holmes	Approval Date: 11/21/08	Expiration Date: 01/20/09
Title: Consultant for Arena Resources, Inc.	Conditions of Approval: FULL DELINEATION CLEAN + 1	
E-mail Address: fred@etechenv.com	Attached <input type="checkbox"/>	
Date: 11/18/08	Phone: 432-563-2200	
FINAL C-141 DUE @ EXPIRATION		

* Attach Additional Sheets If Necessary

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