

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	Telephone No.: 575-738-1739 - 432-563-2200
Facility Name: Phillip Lea Well No 5	Facility Type: Producing Oil Well

Surface Owner: State of New Mexico	Mineral Owner: State of New Mexico	Lease No.: 305484
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#### LOCATION OF RELEASE

API # 30-025-23345

Unit Letter 4K	Section 31	Township 17S	Range 34E	Feet from the 2310	North/South Line SL	Feet from the 990	East/West Line WL	County Lea
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Latitude: N32 47' 28.943" Longitude: W103 36' 2.194

#### NATURE OF RELEASE

Type of Release: Crude Oil	Volume of Release: 15 BBLs	Volume Recovered: 0 BBLs
Source of Release: Flowline Leak	Date and Hour of Occurrence: 08/15/2008-0300	Date and Hour of Discovery: 08/15/2008-0700
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? Greg Holt	Date and Hour 08/15/2008-0730	
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.\*:

GW > 100

Describe Cause of Problem and Remedial Action Taken.\*: Rock wore hole in flowline. Flowline was patched and relocated.

Describe Area Affected and Cleanup Action Taken.\*: Release was confined to an area approximately 4 feet wide by 300 feet long on the east side of the road. Will excavate impacted soils, blend with clean fill until TPH level is 1000 mg/kg or less. Oil Gator (biological degradation additive) will be blended to final mixture to further reduce hydrocarbon levels. Remediated soil will then be placed back into the excavated area. Samples will be collected from the bottom of the excavation area and the blended material and analyzed for TPH before placing treated material back into the excavation.

LENGTH OF 300 FEET ADEQUATE  
WIDTH OF 4 FEET INADEQUATE  
WIDTH 260 FEET @ WIDEST POINT

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.

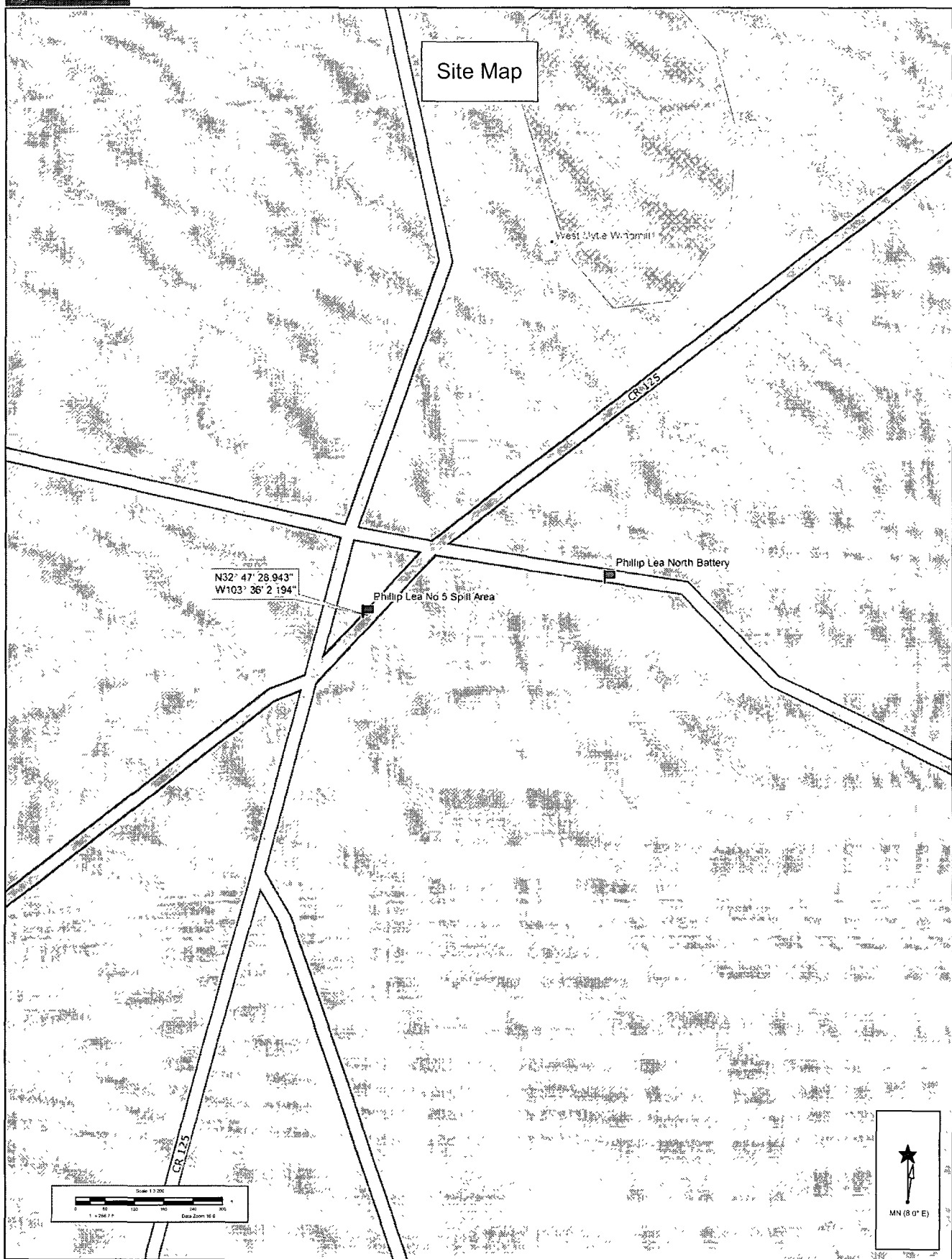
#### OIL CONSERVATION DIVISION

Signature: <i>Fred Holmes</i>	Approved by District Supervisor: <i>Geoffrey Leking</i>	
Printed Name: Fred Holmes	Approval Date: 10/14/08	Expiration Date: 12/14/08
Title: Consultant	Conditions of Approval: FULLY DELINEATE FOR CHLORIDES < 500	
E-mail Address: fred@etechenv.com	Attached <input type="checkbox"/> IRP-1974	
Date: 10/10/2008	Phone: 432-563-2200	

\* Attach Additional Sheets If Necessary

PPM. SAMPLE TO  
CLEAN +1.

PGRL0828857460



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