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1301 W. Grand Avenue, Artesia, NM 88210 SEP 16 2009 Minerals and Natural Resources District III

District III
1000 Rio Brazos Road, Aztec, NM 87410 **HOBBSOCD** Oil Conservation Division
District IV

Oil Conservation Division
1220 South St. Francis Dr.

District I

1625 N. French Dr., Hobbs, NM 88240

1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Final Report Name of Company Endeavor Energy Resources LP Contact: Ronnie Pryer Address 110 N.Marienfeld Ste 200, Midland Texas 79701 Telephone No.: 432 -634 -2934 Facility Type: Oil Well flowline Facility Name: Peterson C # 1 Surface Owner Mineral Owner Lease No.3004120362 **LOCATION OF RELEASE** Feet from the North/South Line Feet from the East/West Line Unit Letter Section Township Range County Roosevelt Ī 18 5-S 33-E 1980 South 660 East Latitude Longitude NATURE OF RELEASE Type of Release Crude Oil and salt water Volume of Release unknown Volume Recovered Source of Release Date and Hour of Occurrence Date and Hour of Discovery: 8-17-09 4:00 pm Flowline leak 8-17-09 Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☐ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* WATER 9 67 Describe Cause of Problem and Remedial Action Taken.* Flowline failure due to corrosion. Replace section of flowline that failed. Take soil samples and replace soil or remediate soil. Describe Area Affected and Cleanup Action Taken.* 10'wide x 30' Long 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: ENV. ENGINEER' Approved by District Supervisor: Printed Name: Ronnie Pryer Title: Production Foreman Approval Date: 09/16/09 CONDITIONS OF APPROVAL: DELINEATE TO E-mail Address: Attached BY 11/16/09 Phone:432-634-2934 9-15-09 RP-09-10,2294

116 RELEASE NOTIFICATION AND CORRECTIVE ACTION [1-1-50...2-1-96; A, 3-15-97]

116.A. NOTIFICATION

- (1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96; A, 3-15-97]
- (2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]
- 116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]
 - (1) A **Major Release** shall be reported by giving **both** immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:
 - (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
 - (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
 - (c) an unauthorized release of natural gases in excess of 500 mcf; or
 - (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3), [3/15/97]
- (2) A Minor Release shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

- (1) Immediate verbal notification required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73 . 2-1-96; A, 3-15-97]
- (2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]
- 116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A. 19). [3-15-97]