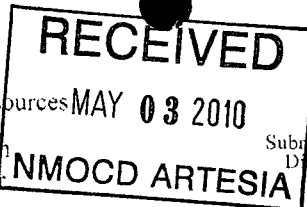


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 16, 2003  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

30-015-20104

### Release Notification and Corrective Action

~~IRP-2068~~

15EB 0930051803

#### OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Fairway Resources	241598	Contact	
Address	538 Silicon Drive Suite 101, Southlake, TX 76002		Telephone No.	
Facility Name	South Red Lake Grayburg Unit 41		Facility Type	Flow Line
Surface Owner	BLM	Mineral Owner	BLM	Lease No. 0577798

#### LOCATION OF RELEASE

Unit Letter "P"	Section 35	Township 17S	Range 27E	Feet from the North/South Line 990'	Feet from the East/West Line 990'	County Eddy
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Latitude 32° 47', 10 62" North

Longitude 104° 14', 44.73" West

#### NATURE OF RELEASE

Type of Release	Produced Water and Crude Oil	Volume of Release	15 bbls	Volume Recovered	0 bbl
Source of Release	Flow Line	Date and Hour of Occurrence	9/28/2009	Date and Hour of Discovery	9/28/2009
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required				
By Whom?	Mike Jones	If YES, To Whom?	Jim Amos (BLM)		
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.\*

Describe Cause of Problem and Remedial Action Taken A fiberglass flow line above the north east corner of the location failed under pressure releasing 15 bbls of produced water and crude. All saturated materials will be removed and transported to an approved NMOCD disposal facility. Once all saturated materials have been removed the area will be delineated to determine what remedial steps will need to be taken.

Describe Area Affected and Cleanup Action Taken Site was excavated, confirmation soil samples were collected from the excavation, impacted soil was transported to Lea Land, LLC for disposal, non-impacted soil was purchased locally and the excavation was backfilled. Please see attached Basin Environmental Consulting Remediation Summary and Site Closure Request, dated April 2010, for remediation details.

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	Signed By
Printed Name	John J. Pulte	Approval Date	JUN 03 2010
Title	Operations Engineer	Expiration Date	1/1
E-mail Address	jipulte@fairwayresources.com	Conditions of Approval:	
Date: 4/16/2010	Phone: 817-416-1946		

2RA-359