District I RECEIVED State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 Form C-141 **Energy Minerals and Natural Resources** District II Revised October 10, 2003 1301 W. Grand Avenue, Artesia, NM 88210 Submit 2 Copies to appropriate District Office in accordance JUN 25 2010 District III **Oil Conservation Division** 1000 Rio Brazos Road, Aztec, NM 87410 1220 South St. Francis Dr. District IV with Rule 116 on back HOBBSOCD 1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** X Initial Report **Final Report** Contact: Autumn Long Name of Company Samson Resources Company Address: Two West Second Street Telephone No. (918) 591-1364 Facility Name: State BD #3 Facility Type: Injection Well (W) Surface Owner: Mineral Owner Lease No .: LOCATION OF RELEASE API# 30.025.01033.00.00 Unit Letter Feet from the North/South Line Feet from the East/West Line Section Township Range County 12 TZIS 2 R33E 1980 South 660 East Lea Latitude: 33.30574 Longitude: -103.57766 NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 785 Barrels Volume Recovered: 730 Barrels Source of Release: Flange Gasket Failed Date and Hour of Occurrence: Date and Hour of Discovery: 6-19-2010; 05:52 a.m. 6/19/2010 05:52 a.m. Was Immediate Notice Given? If YES, To Whom? X Yes No Not Required E. L. Gonzalez - District 1 (505) 393-6161 (Initially reported on 6/19/2010) Geoff Leking - District 1 (505) 393-6161 (Follow-up Contact on 6/21/2010) By Whom? Autumn Long Date and Hour: 6-19-2010 at 10:50 a.m. and 6-21-2010 at 3:30 p.m. Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. □ Yes X No If a Watercourse was Impacted, Describe Fully.\* N/A GUIGA71 Describe Cause of Problem and Remedial Action Taken.\* Flange gasket failed; 785 barrels of produced water was released, all contained in firewall. Pumper went to location and turned off disposal pump and closed valves; therefore, stopping discharge. Gasket was replaced with high temperature gasket and pump turned back to disposal at 0900. Describe Area Affected and Cleanup Action Taken.\* The estimated release of 785 barrels of produced water, was all contained in the firewall: Length: 138' Width: 160' Depth: 2.4' Approximately 730 barrels of produced water was recovered from the containment 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 autumn M. Zon Signature: ENVENGR Approved by-District-Supervisor: Steaffrey Printed Name: Autumn Long Expiration Date: 09 107 10 Title: Environmental Specialist Approval Date: 07/07/10 Conditions of Approval: SUBMIT INVESTI-GATTION WORKPLAN. DELINSATE TO CLEAN +1. SUBMIT FINAL C-141 E-mail Address: autumnl@samson.com Attached IRP-10.07:2575 Phone: (918) 591-1364 Date: June 21, 2010

\* Attach Additional Sheets If Necessary

BY 09/07/10



Samson Plaza Two West Second Street Tulsa, Oklahoma 74103-3103 USA 918/591-1791

SENT VIA CERTIFIED MAIL

RECEIVED

JUN 2 5 2010 HOBBSOCD

June 21, 2010

State of New Mexico Energy Minerals and Natural Resources District 1 Attn: Geoff Leking 1625 N. French Drive Hobbs, NM 88240

Reference: Release Notification and Corrective Action Operator: Samson Resources Company Location: State BD #3 Section 2, T12S-R33E Lea County, NM

Dear Mr. Leking:

Per the initial telephone notification to E. L. Gonzalez on 6/19/2010 at 10:50 a.m. and to you today at 3:30 p.m., please find attached a completed Form C-141 regarding the above referenced release.

Please recognize it is Samson's intent to operate in an environmentally responsible manner and to maintain compliance with applicable laws and regulations. I trust this information will satisfy any concerns the State of New Mexico Energy Minerals and Natural Resources may have regarding this incident. If you need additional information, please feel free to contact me at (918) 591-1364.

Thank you.

Sincerely,

Samson Resources Company

autumn M. Long

Autumn Long Environmental Specialist

AL:db

Attachments

Cc: Gerry Petree – Superintendent Production Department