

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

RECEIVED

JUN 14 2010

HOBBSOCD

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: Siana Operating LLC	Contact: Matt Doffer
Address: P.O. Box 10303, Midland, TX 79702	Telephone No.: 432/687-6600
Facility Name: Curry Federal #2	Facility Type: SWD

Surface Owner: Federal	Mineral Owner: Federal	Lease No.: LG-7641-1
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LOCATION OF RELEASE API # 30-025-24003-00-00

Unit Letter N	Section 22	Township 23-S	Range 34-E	Feet from the 660	North/South Line South	Feet from the 1660	East/West Line West	County Lea
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Latitude 103°17'5.21"N Longitude 103°27'39.82"W

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 200	Volume Recovered: 130
Source of Release: Hole in 10-3/4" casing	Date and Hour of Occurrence Est 8 hours prior	Date and Hour of Discovery: 5:30 p.m. 6/8/10
Was Immediate Notice Given? Within 3 hrs that Midland Office was notified <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? E. L. Gonzales - OCD Hobbs	
By Whom?	Date and Hour	
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.*


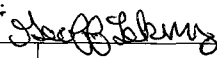
Leak on 10-3/4" casing 1' above bottom of cellar. Kill well and patched 10-3/4" casing.

WATER @ 285'

Describe Area Affected and Cleanup Action Taken.*

Filled up cellar and ran north across location then small 1' - 1-1/2' wide runs both north & northeast down slope towards caliche pit, some 300'-400'. Plan to scrape up contaminated area and blend to below 1000 ppm chlorides or haul off contaminated soil to approved site.

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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Matt Doffer	ENV. ENGINEER: Approved by District Supervisor: 	
Title: Manager of Drilling/Production	Approval Date: 06/15/10	Expiration Date: 08/16/10
E-mail Address: mdoffer@sianoil.com	Conditions of Approval: DO NOT BLEND, DISMANTLE TO CLEAN UP, SUBMIT FINAL C-141 BY 08/16/10	Attached <input type="checkbox"/>
Date: 6/11/10 Phone: 432/687-6600	IRP-10-9-2620	

* Attach Additional Sheets If Necessary