

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: Targa Midstream Services L P	Contact: Ralph England
Address: PO Box 1689 Lovington, NM 88260	Telephone No. (575) 441-4653
Facility Name: Saunders Gas Plant	Facility Type: Gas Manufacturing Plant

Surface Owner: G.F. Peterson	Mineral Owner:	Lease No.
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**LOCATION OF RELEASE**

Unit Letter	Section 29	Township 21S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County  Lea
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Latitude 33.86202 Longitude 103.51649

**NATURE OF RELEASE**

Type of Release: Natural Gas and liquid from a 6 inch steel gathering line.	Volume of Release: Approximately 5 Barrels of liquid and unknown amount of natural gas	Volume Recovered: Approximately 4 Barrels
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Source of Release: 6 inch natural gas gathering line with a .5 inch hole, 10# pressure, and zero flow.	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery 6/4/2010 2:30 PM
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Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?
--	------------------

By Whom?	Date and Hour
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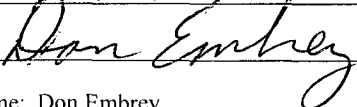
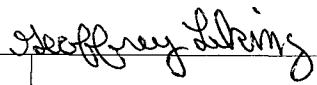
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.
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If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*  
A pipeline leak was discovered in the North Peterson field that released approximately 5 bbls. Of oil The leak was isolated and repaired. The steel line was replaced with poly pipe from tank battery through site to good pipe. A vacuum truck was used to recover fluid.

Describe Area Affected and Cleanup Action Taken.\*  
Affected area was contained within our pipeline right of way. Vacuum truck was used to recover fluid. Contaminated soil was removed and taken to an OCD approved land farm. Area has been cleaned and sampled to insure compliance with OCD guidelines. Excavation will be backfilled with new soil from area approved by landowner.

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Don Embrey	ENV. ENGINEER: Approved by District Supervisor: 	
Title: Training Specialist	Approval Date: <u>09/14/10</u>	Expiration Date: <u>      </u>
E-mail Address: dembrey@targaresources.com	Conditions of Approval:	
Date: September 9, 2010 Phone: (432) 688-0546	Attached <input type="checkbox"/> IRP # <u>10-6-2548</u>	

\* Attach Additional Sheets If Necessary

District I  
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State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

JUN 08 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: Targa Midstream Services, L.P.	Contact: Ralph England
Address: P.O. Box 1689	Telephone No.: 575.441.4653
Facility Name: Saunders Plant	Facility Type: Gas Manufacturing Plant

Surface Owner: G. E. Peterson	Mineral Owner	Lease No.: N/A
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LOCATION OF RELEASE

API 30-025-01195 (SAUNDERS)  
(SUD)

Unit Letter B	Section 19	Township 5S	Range 32E	Feet from the	North/South Line	Feet from the	East/West Line	County Roosevelt
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Latitude 33.86202 Longitude 103.51649

NATURE OF RELEASE

Type of Release: Natural gas and liquids from a 6" steel gathering line.	Volume of Release: Approximately 5 bbls. unknown amount of natural gas	Volume Recovered Approximately 4 bbls.
Source of Release: 6" natural gas gathering line with a 1/2" hole, 10# pressure, and zero flow	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 6/4/2010 - 2:30 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
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 \*

A pipeline leak was discovered in the North Peterson field that released approximately 5 bbls. of oil. The leak was isolated and repaired; a vacuum truck was used to recover fluid.

Describe Area Affected and Cleanup Action Taken.\*

Affected area was contained within our pipeline right of way. Vacuum truck was used to recover fluid. Contaminated soil will be removed and taken to an OCD approved land farm. Area will be cleaned and sampled to ensure compliance with the OCD guidelines.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: <i>Ralph England</i>	OIL CONSERVATION DIVISION	
Printed Name: Ralph England	Approved by District <i>Johnson</i> ENVIRONMENTAL ENGINEER	
Title: Field Supervisor	Approval Date: 6-8-10	Expiration Date: 8-9-10
E-mail Address: REngland@targaresources.com	Conditions of Approval:	
Date: June 7, 2010 Phone: 575.441.4653	Submit Final C-141 w/ docs by	Attached <input type="checkbox"/> IRP# 10-6-2548

\* Attach Additional Sheets If Necessary

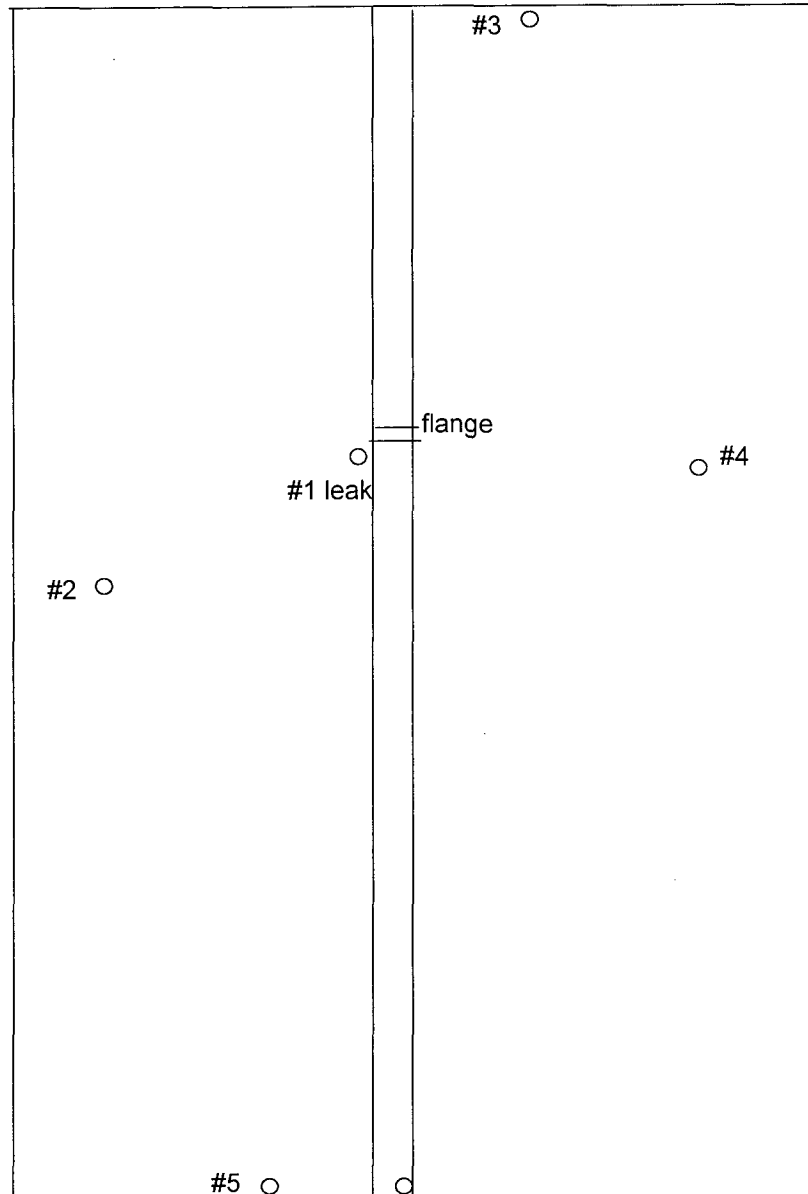
INC N LWT 1015928303  
ADM plus 1015928335

## South Peterson Saunders

SAMPLE DATE	SAMPLE I.D.	SOIL STATUS	TPH GRO	TPH DRO	CHLORIDE
9/1/2010	#1 LEAK	In Situ	<10	66.2	240
9/1/2010	#2 WEST WALL	In Situ	<10	22.7	128
9/1/2010	#3 NORTH WALL	In Situ	<10	<10	96
9/1/2010	#4 EAST WALL	In Situ	<10	193	208
9/1/2010	#5 SOUTH WALL	In Situ	<10	<10	96

9/9/2010

# South Peterson Saunders



9/9/2010



Looking ~~South~~ NORTH



09/01/2010

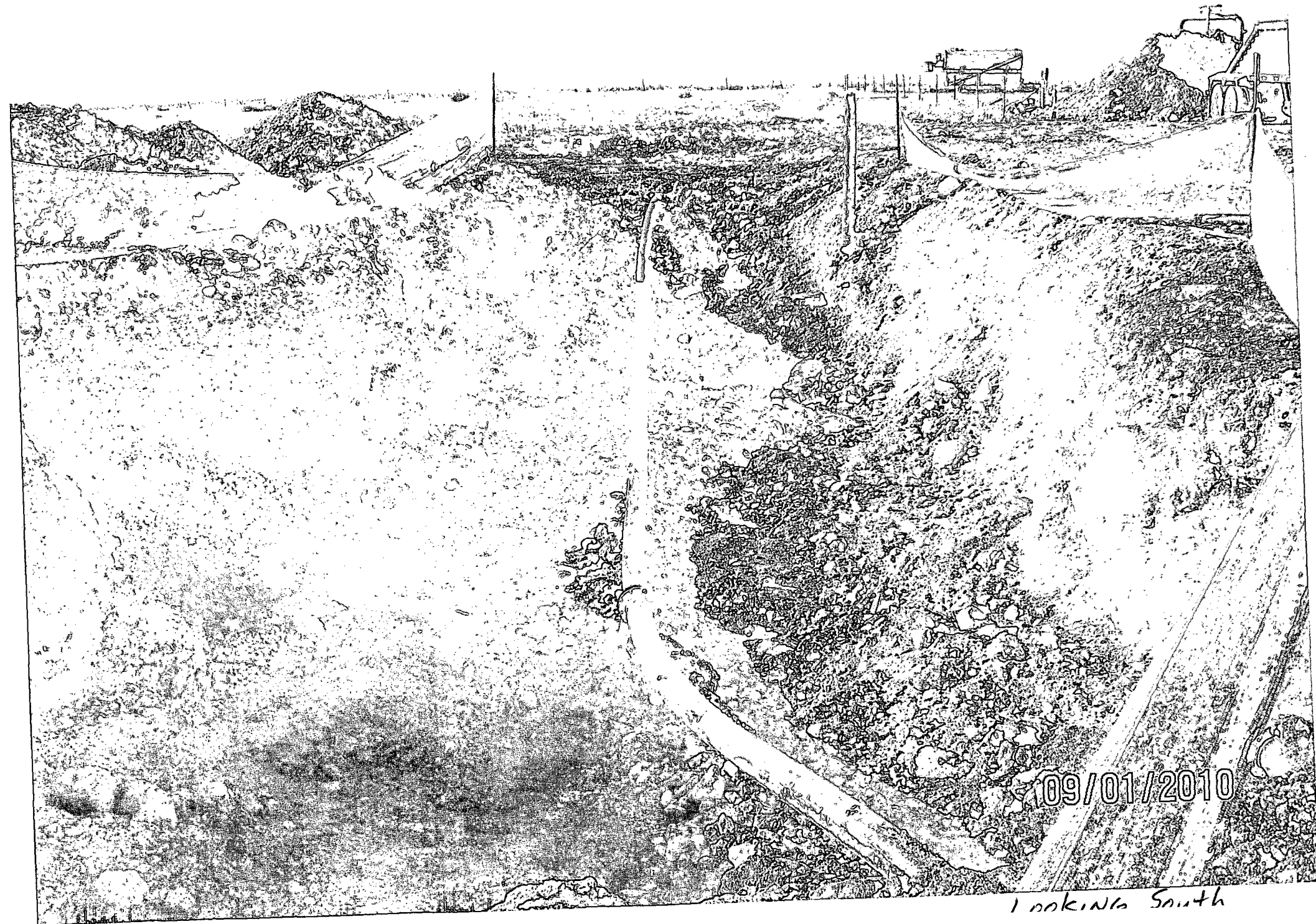
Looking NORTH





09/01/2010

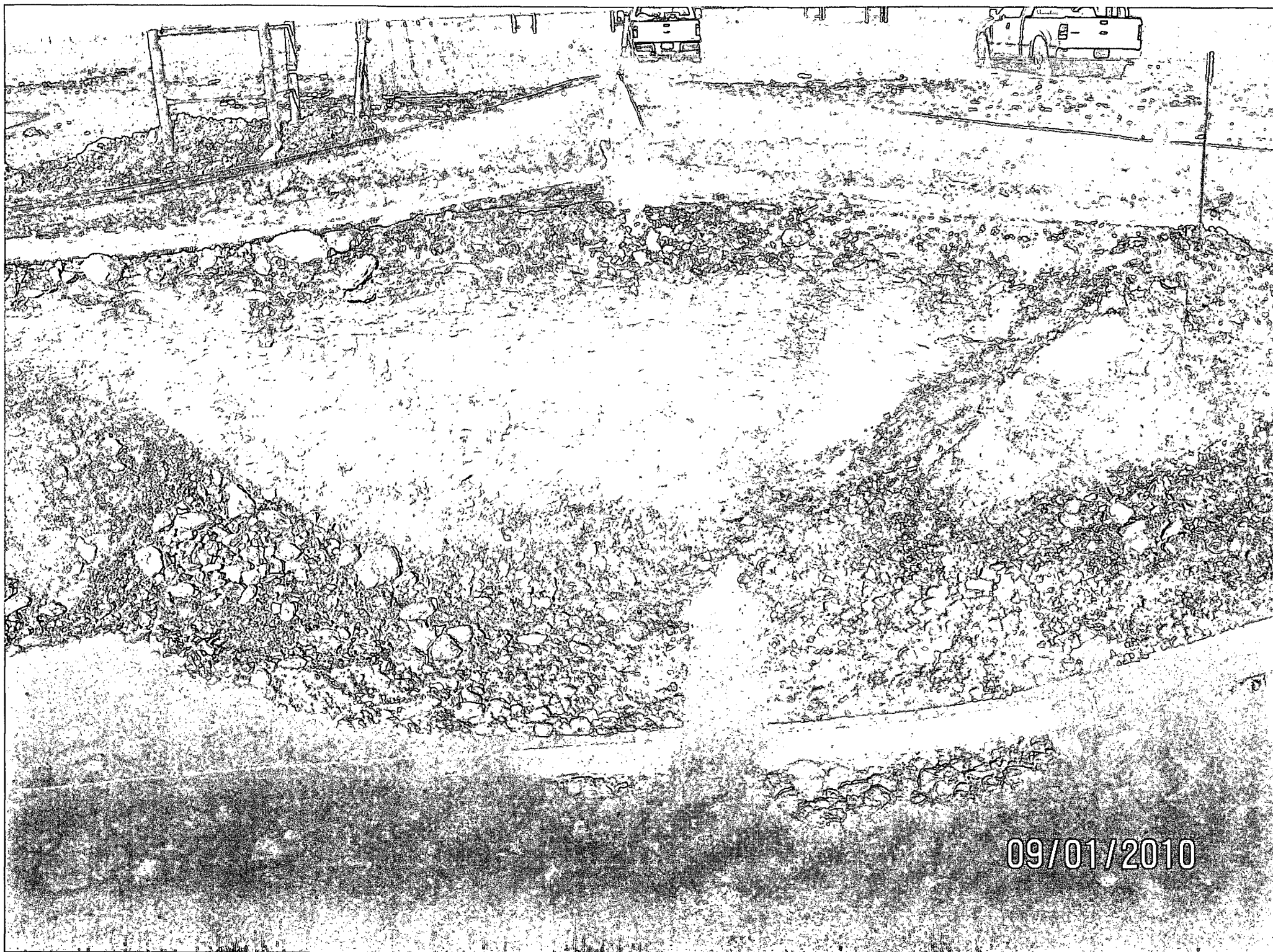
Looking East



09/01/2010

Looking South





09/01/2010

Looking West

PHONE (877) 303-2226 • 101 E. MARLAND • HOBBBS, NM 88240

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September 07, 2010

DON EMBREY

Targa Midstream Svc- Midland

6 Desta Dr Ste 3300

Midland, TX 79705

RE: S. PETERSON

Enclosed are the results of analyses for samples received by the laboratory on 09/01/10 10:50.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene  
Lab Director/Quality Manager



PHONE (776) 293-2326 • 101 E. MARLAND • HOOVER, NM 80240

**Analytical Results For:**

Targa Midstream Svc- Midland  
 DON EMBREY  
 6 Desta Dr Ste 3300  
 Midland TX, 79705  
 Fax To: (432) 688-0552

Received: 09/01/2010  
 Reported: 09/07/2010  
 Project Name: S. PETERSON  
 Project Number: NONE GIVEN  
 Project Location: NONE GIVEN

Sampling Date: 09/01/2010  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Jodi Henson

**Sample ID: LEAK #1 (H020778-01)**

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	09/03/2010	ND	416	104	400	0.00	
TPH 8015M		mg/kg	Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/06/2010	ND	180	90.2	200	2.13	
DRO >C10-C28	66.2	10.0	09/06/2010	ND	182	90.8	200	0.0759	
Surrogate: 1-Chlorooctane	98.8 %	70-130							
Surrogate: 1-Chlorooctadecane	76.4 %	70-130							

**Sample ID: W WALL #2 (H020778-02)**

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	09/03/2010	ND	416	104	400	0.00	
TPH 8015M		mg/kg	Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/06/2010	ND	180	90.2	200	2.13	
DRO >C10-C28	22.7	10.0	09/06/2010	ND	182	90.8	200	0.0759	
Surrogate: 1-Chlorooctane	103 %	70-130							
Surrogate: 1-Chlorooctadecane	79.0 %	70-130							

Cardinal Laboratories

\* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and clients exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services provided by Cardinal, regardless of whether such claims are based upon any of the above stated reasons or otherwise. Results relate only to the samples identified herein. This report shall not be reproduced or used in full without approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (879) 393-3326 • 101 E. MARLAND • MIDLAND, MN 55240

**Analytical Results For:**

Targa Midstream Svc- Midland  
 DON EMBREY  
 6 Desta Dr Ste 3300  
 Midland TX, 79705  
 Fax To: (432) 688-0552

Received: 09/01/2010  
 Reported: 09/07/2010  
 Project Name: S. PETERSON  
 Project Number: NONE GIVEN  
 Project Location: NONE GIVEN

Sampling Date: 09/01/2010  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Jodi Henson

**Sample ID: N WALL #3 (H020778-03)**

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	09/03/2010	ND	416	104	400	0.00	

TPH 8015M			mg/kg		Analyzed By: AB				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/06/2010	ND	180	90.2	200	2.13	
DRO >C10-C28	<10.0	10.0	09/06/2010	ND	182	90.8	200	0.0759	

Surrogate: 1-Chlorooctane 85.8 % 70-130

Surrogate: 1-Chlorooctadecane 70.4 % 70-130

**Sample ID: E WALL #4 (H020778-04)**

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	208	16.0	09/03/2010	ND	416	101	400	0.00	

TPH 8015M			mg/kg		Analyzed By: AB				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/06/2010	ND	180	90.2	200	2.13	
DRO >C10-C28	193	10.0	09/06/2010	ND	182	90.8	200	0.0759	

Surrogate: 1-Chlorooctane 102 % 70-130

Surrogate: 1-Chlorooctadecane 85.4 % 70-130

**Cardinal Laboratories**

\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 323-2326 • 101 N. MARLAND • NORRIS, NM 88054

**Analytical Results For:**

Targa Midstream Svc- Midland  
 DON EMBREY  
 6 Desta Dr Ste 3300  
 Midland TX, 79705  
 Fax To: (432) 688-0552

Received: 09/01/2010  
 Reported: 09/07/2010  
 Project Name: S. PETERSON  
 Project Number: NONE GIVEN  
 Project Location: NONE GIVEN

Sampling Date: 09/01/2010  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Jodi Henson

**Sample ID: S WALL #5 (H020778-05)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	09/03/2010	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/06/2010	ND	180	90.2	200	2.13	
DRO >C10-C20	<10.0	10.0	09/06/2010	ND	182	90.8	200	0.0759	
Surrogate: 1-Chlorooctane		87.0 %	70-130						
Surrogate: 1-Chlorooctadecane		69.1 %	70-130						

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\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager





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### Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- \*\* Samples not received at proper temperature of 6°C or below.
- \*\*\* Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C  
Samples reported on an as received basis (wet) unless otherwise noted on report

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\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 FAX (575) 393-2476

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <b>TARCA</b>				<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>													
Project Manager: <b>Don EMBREY</b>				P.O. #:																	
Address: <b>6 Dextra Drive Suite 3300</b>				Company: <b>TARCA</b>																	
City: <b>MIDLAND</b> State: <b>TX</b> Zip: <b>79705</b>				Attn:																	
Phone #: <b>432-688-0546</b> Fax #: <b>432-688-0552</b>				Address: <b>PO Box 1689</b>																	
Project #: _____ Project Owner: _____				City: <b>Lovington NM</b>																	
Project Name: <b>S. Paterson</b>				State: <b>NM</b> Zip: <b>88260</b>																	
Project Location: _____				Phone #: _____																	
Sampler Name: <b>Don Embrey</b>				Fax #: _____																	
Lab I.D.		Sample I.D.		GRAB OR (COMP)	CONTAINER:	MATRIX	PRESERV	SAMPLING													
						GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER	ACID/BASE ICE / COOL OTHER														
<b>H20118-1</b>		<b>Leak #1</b>							<b>DATE</b>	<b>TIME</b>											
<b>2</b>		<b>W Wall #2</b>							<b>9-1-10</b>	<b>9am</b>											
<b>3</b>		<b>N Wall #3</b>																			
<b>4</b>		<b>E Wall #4</b>																			
<b>5</b>		<b>S Wall #5</b>																			

PLEASE NOTE: Liability and Damages: Cardinal's liability and damage recovery is limited to the amount paid by the client for the analysis. All other claims for negligence, injury, death, or property damage are disclaimed. Cardinal is not responsible for any loss of or damage to samples or equipment. Cardinal is not responsible for any loss of or damage to equipment or samples. Cardinal is not responsible for any loss of or damage to equipment or samples. Cardinal is not responsible for any loss of or damage to equipment or samples.

Relinquished By: <b>Don Embrey</b>	Date: <b>9-1-10</b>	Received By: _____	Phone Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #: _____
Time: <b>10:50</b>	Time: _____	Fax Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #: _____	
Relinquished By: _____	Date: _____	Received By: <b>Jodi Jensen</b>	REMARKS:	
Time: _____	Time: _____	Sample Condition: <b>5.5°C</b>		
Delivered By: (Circle One)	Sampler: UPS - Bus - Other:	Checked By: <b>JH</b>		

FORM-006  
Revision 1.0

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476

#26

Page 6 of 6