

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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 2/25/2015  
NMOCD Artesia

Form C-141  
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

<b>OPERATOR</b>		<input type="checkbox"/> Initial Report	<input checked="" type="checkbox"/> Final Report
Name of Company ENERGYQUEST II, LLC	Contact LARRY DAVIS		
Address 4526 RESEARCH FOREST DRIVE., SUITE 200, THE WOODLANDS, TX 77381	Telephone No. 281-875-6200		
Facility Name BEESON F FEDERAL #029	Facility Type OIL		
Surface Owner Bureau of Land Management	Mineral Owner	API No. 30-015-31164	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	31	17S	30E	330	NORTH LINE	330	EAST LINE	EDDY

Latitude 32.7973913815622 Longitude -104.003815317332


**NATURE OF RELEASE**

Type of Release PRODUCED SALT WATER	Volume of Release 40 BBL	Volume Recovered 0
Source of Release BREAK IN WATER INJECTION LINE	Date and Hour of Occurrence 02 AUG 2014, 1530 HOURS	Date and Hour of Discovery 03 AUG 2014, 1026 HOURS
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? JIM AMOS, BUREAU OF LAND MANAGEMENT (575) 234-5972	
By Whom? GREG MCWILLIAMS (806) 445-1728	Date and Hour 03 AUG 2014, 1026 HOURS	
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.\*  
FAILURE OF WATER INJECTION LINE BELOW GROUND LEVEL. NO OIL OR OIL PRODUCTS WERE RELEASED. UPON DISCOVERY, FIELD WAS SHUT IN AND FLOW WAS STOPPED. DIGGING REVEALED FAILURE POINT IN FLOW LINE. ANALYSIS OF LOCATION INDICATES NO SUB-SURFACE WATER AND NO SURFACE WATERCOURSE IN VICINITY. CLEAN UP WILL REQUIRE REMOVAL AND REPLACEMENT OF IMPACTED SOILS. APPROVAL TO PROCEED WITH REPAIR AND CLEANUP GIVEN BY JIM AMOS, BLM. CLEAN UP TO BEGIN 06 AUGUST 2014.

Describe Area Affected and Cleanup Action Taken.\*  
AREA IS IN A NATURAL DEPRESSION AMONG THE SAND DUNES. SITE WAS EXCAVATED AND SOIL SAMPLES TAKEN TO VERIFY CONTAMINANTS WERE BELOW SET LEVELS. IN ACCORDANCE WITH APPROVED PLANS, THE EXCAVATION WAS REFILLED WITH LOCAL SOIL TO THE NATURAL CALICHE LEVEL, THEN CAPPED WILL CLEAN CALICHE. THAT CAP WAS TOPPED WITH 1220 YARDS OF BLM APPROVED SOIL AND CONTOURED TO MATCH, AS CLOSELY AS POSSIBLE, THE ORIGINAL CONTOURS OF THE SITE. **SEE ATTACHED PHOTOS OF FINAL CONTOURING.** SITE TO BE RE-SEEDDED WITH BLM-APPROVED MIXTURE AS PER PLAN.

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: LARRY DAVIS		Approved by Environmental Specialist:	
Title: MANAGER, ENVIRONMENTAL QUALITY AND SAFETY		Approval Date: 2/27/15	Expiration Date: N/A
E-mail Address: larry.davis@energyquest.us		Conditions of Approval:	
Date: 25 FEBRUARY 2015	Phone: 281-651-5201	FINAL	Attached <input type="checkbox"/>

2RP-2419