

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

NM OIL CONSERVATION

ARTESIA DISTRICT

OCT 16 2015

RECEIVED

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 August 8, 2011

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

Release Notification and Corrective Action

nAB1514654493

OPERATOR

Initial Report X Final Report

Name of Company VanGuard National Resources, LLC	Contact Dennis Howard
Address 5847 San Felipe St. Ste.3000, Houston, TX 77057	Telephone No. 505-918-0293
Facility Name Staley State No. 20	

Surface Owner Federal	Mineral Owner Federal	API No. 30-015-40983
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LOCATION OF RELEASE

Unit Letter O	Section 30	Township 17S	Range 28E	Feet from the 330'	North/South Line FSL	Feet from the 1650'	East/West Line FEL	County EDDY
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Latitude 32.79450 Longitude 104.20561

NATURE OF RELEASE

Type of Release Treated produced waters	Volume of Release 65 bbls	Volume Recovered 5-10 bbls
Source of Release 10" transfer line	Date and Hour of Occurrence 5/13/2015 5:30am	Date and Hour of Discovery 5/13/2015 5:30am
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Heather Patterson/NMOCD Artesia Office	
By Whom? Mike Stubblefield	Date and Hour 12/13/2015 11:00am	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

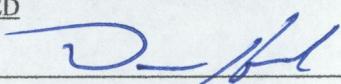
Describe Cause of Problem and Remedial Action Taken.*

During the transfer of treated waters from the NW State 19 Recycling Containment, a valve located on the 10" transfer line vibrated shut, the maximum operating pressure for the 10" line was exceeded and the line ruptured. A vacuum truck was immediately brought to the release site, standing fluids were recovered.

Describe Area Affected and Cleanup Action Taken.*

The affected area is located in Ut. M sec.29-T17S-R28E. This area was measured to be 195' L x 108' W. The impacted material from the release was excavated to a depth of .5 to 1-foot and stockpiled. The stockpiled material was transported to Lea Land LLC for disposal. The excavated area was recon toured and then reseeded using BLM seed mix No.2.

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.

AMENDED	OIL CONSERVATION DIVISION	
Signature: 	Approved by Environmental Specialist: <i>MBratcher</i>	
Printed Name: Dennis Howard	Approval Date: 10/20/15	Expiration Date:
Title: Production Supervisor	Conditions of Approval: See Attached	
E-mail Address: Dennis Howard <dhoward@vnrllc.com>	Attached <input checked="" type="checkbox"/>	
Date: 10/14/2015	Phone: 505-918-0293	

* Attach Additional Sheets If Necessary

2RP-3017