

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

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

nHMP1408430529

OPERATOR

Initial Report Final Report

Name of Company Quantum Resources Management, LLC	Contact Dee Fryar
Address 4000 N Big Spring St. Midland TX 79705 243 874	Telephone No. 432-517-0496
Facility Name Artesia Unit #007	Facility Type Injection Well
Surface Owner State of New Mexico	Mineral Owner State of New Mexico
API No. 30-015-10080	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	36	17S	28E	480'	FNL	330'	FWL	Eddy

Latitude 32.797920593 Longitude 104.137448429

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 30bbls	Volume Recovered 25bbls
Source of Release Line Strike	Date and Hour of Occurrence 02/06/2014	Date and Hour of Discovery 02/06/14
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Dee Fryer	Date and Hour 02/06/14 - unknown time	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED
MAR 13 2014
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.
During electrical trenching procedures, Apache Corporation struck the Artesia Unit #007 injection line causing the release of the produced water. The leak was repaired and a vacuum truck was called to recover the standing fluid. All of the fluid remained on the caliche pad that is shared with Apache Corporations D State #104.

Describe Area Affected and Cleanup Action Taken.*
The initial assessment of the release has been completed. Surface samples have been taken to an approved laboratory for confirmation. The NMOCD Spills and Remediation Guideline will be followed to closure of this release.

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: <i>Natalie Gladden</i>	OIL CONSERVATION DIVISION	
Printed Name: Natalie Gladden	Approved by Environmental Specialist: <i>Handwritten Signature</i>	
Title: Environmental Consultant	Approval Date: 3-25-14	Expiration Date: NA
E-mail Address: ngladden@diversifiedfsi.com	Conditions of Approval:	
Date: 02/14/2014 Phone: 575-602-1786	Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	
	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

PROPOSAL NO LATER THAN:
4-25-14
2RP-2219