

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-14
Revised October 10, 2001

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

OPERATOR

x Initial Report ☐ Final Report

Name of Company Fairway Resources *Operating LLC 241598* Contact Mike Jones
Address 538 Silicon Drive Suite 101 Southlake, Tx 76002 Telephone No. (432) 390-4611
Facility Name South Red Lake Grayburg Unit 41 Facility Type Flow Line

Surface Owner BLM Mineral Owner BLM Lease No. 0577798

LOCATION OF RELEASE

Unit Letter P Section 35 Township 17S Range 27E Feet from the North/South Line 990' Feet from the East/West Line 990' County Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water and Crude Volume of Release 15 bbl Volume Recovered 0 bbl
Source of Release Flow Line Date and Hour of Occurrence 9/28/2009 Date and Hour of Discovery 9/28/2009
Was Immediate Notice Given? x Yes ☐ No ☐ Not Required If YES, To Whom? Jim Amos (BLM)
By Whom? Mike Jones Date and Hour 9/28/2009
Was a Watercourse Reached? ☐ Yes x No If YES, Volume Impacting the Watercourse.

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A fiberglass flow line above the north east corner of the location failed under pressure releasing 15 bbls of produced water and crude. All saturated materials will be removed and transported to an approved NMOCDD disposal facility. Once all saturated materials have been removed the area will be delineated to determine what remedial steps will need to be taken.

Describe Area Affected and Cleanup Action Taken.*

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD 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 NMOCDD 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, NMOCDD 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.

OIL CONSERVATION DIVISION

Signature: *Mike Jones*

Printed Name: *Mike Jones*

Approved by District Supervisor: *R. Dade by SB*

Title: *Production Supt.*

Approval Date: *10-2-09*

Expiration Date: *12-31-09*

E-mail Address: *m.jones@fairway*

Conditions of Approval:

Attached ☐

Date: _____ Phone: _____

Attach Additional Sheets If Necessary:

2RP-359

REMEDICATION IN PROGRESS

13EB0930051803 13EB0930051982