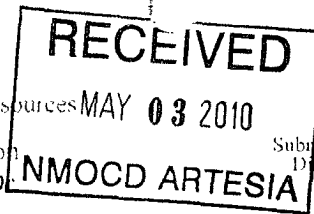


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1361 W. Grand Avenue, Artesia, NM 88210
District III
1060 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 14, 2003
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-20104

Release Notification and Corrective Action

~~IRP-2068~~

15EB 0930051803

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Fairway Resources	241598	Contact		
Address	538 Silicon Drive Suite 101, Southlake, TX 76002		Telephone No.		
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	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
"P"	35	17S	27E		990'		990'	Eddy

Latitude 32° 47', 10 62" North

Longitude 104° 14', 44.73" West

NATURE OF RELEASE

Type of Release	Produced Water and Crude Oil	Volume of Release	15 bbls	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	If YES, Volume Impacting the Watercourse	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
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 NMOC D 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: Site was excavated, confirmation soil samples were collected from the excavation, impacted soil was transported to Lea Land, LLC for disposal, non-impacted soil was purchased locally and the excavation was backfilled. Please see attached Basin Environmental Consulting Remediation Summary and Site Closure Request, dated April 2010, for remediation details.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 D marked as "Final Report" does not relieve the operator of liability should their operation 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 D 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		Approved by District Supervisor	Signed By		
Printed Name	John J. Pulte	Approval Date	JUN 03 2010	Expiration Date	1/1
Title	Operations Engineer	Conditions of Approval			
E-mail Address	jpulte@fairwayresources.com				
Date	1/16 2010	Phone	817-416-1946		

2RP-359