

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-141
Revised October 10, 2003

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

30-015-10087

Release Notification and Corrective Action

nSEB0826650355

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: Arena Resources, Inc.	210420	Contact: Fred Holmes
Address: 2130 W. Bender Blvd.		Telephone No.: 575-738-1739/432-563-2200
Facility Name: North Benson Queen Well #16		Facility Type: Produced Water Injection

Surface Owner: BLM	Mineral Owner: BLM	Lease No.: 33129
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LOCATION OF RELEASE

Unit Letter J	Section 28	Township 18S	Range 30E	Feet from the 1650	North/South Line FSL	Feet from the 1651	East/West Line FEL	County Eddy
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Latitude: N32 42' 56.300" Longitude: W103 58' 26.600"

NATURE OF RELEASE

Type of Release: Produced Water & Oil	Volume of Release: 125	Volume Recovered: 50
Source of Release: Injection Line Break	Date and Hour of Occurrence: 07/29/08 0700	Date and Hour of Discovery: 07/29/08 0900
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Sherry Bonham, OCD/ James Amos, BLM	
By Whom? Tony Tucker - Foreman	Date and Hour 07/29/08-1000	
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.*: Break in a 2" produced water line. Line was repaired.

Describe Area Affected and Cleanup Action Taken.*: Affected areas include 2 pooled areas of produced water west and north of the wellhead as well as stormwater drainage channels spill used to reach pooled area. Soils were excavated and processed via soil washing to remove chlorides to acceptable levels per corrective action plan. Once soils were treated, they were placed back into the excavation the areas contoured and seeded as per the corrective action plan and BLM requirements. Final report prepared on 06/30/2009 and presented to OCD Artesia on 07/10/09. Closure was approved. Site will move to monitoring for the next two years per BLM requirements to ensure that reclaimed areas properly vegetate.

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>Fred Holmes</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Fred Holmes	Approved by District Supervisor: <i>[Signature]</i>	
Title: Consultant	Approval Date: 8-26-09	Expiration Date: N/A
E-mail Address: fred@etechenv.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: 07/10/09 Phone: 432-563-2200		

* Attach Additional Sheets If Necessary

A SEB0826651518

V10*SEB082665125* - closed

2RP. 226