

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

30-015-01764

Release Notification and Corrective Action

NMLB 1111852407

243874

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Quantum Resources Management, LLC	Contact Garrett Newton
Address 1905 West Sears Ave., Artesia, New Mexico 88210	Telephone No. 575-513-0230
Facility Name Artesia Unit No. 32	Facility Type WIW

Surface Owner State	Mineral Owner State	Lease No.
---------------------	---------------------	-----------

LOCATION OF RELEASE

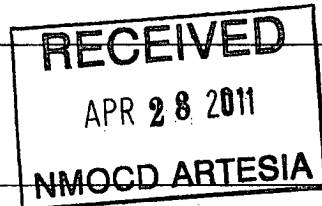
Unit Letter M	Section 36	Township T17S	Range R28E	Feet from the 990'	North/South Line FSL	Feet from the 330'	East/West Line FWL	County EDDY
------------------	---------------	------------------	---------------	-----------------------	-------------------------	-----------------------	-----------------------	----------------

Latitude 32.78729 Longitude 104.13741

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 15 - 20 BBLs	Volume Recovered -0-
Source of Release Water Injection line	Date and Hour of Occurrence 04/15/2011 12:00 pm	Date and Hour of Discovery same
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD/Mike Bratcher	
By Whom? Garrett Newton	Date and Hour 04/15/2011 12:30pm	
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.*

The flow line located west of the Artesia Unit No. 32 was found to be leaking. The line was shut-in, excavated and repaired.
The impacted soil was excavated and transported to and NMOCD solid waste disposal facility.

Describe Area Affected and Cleanup Action Taken.*

The release was located on the pipeline right away west of the Artesia Unit No. 32. The area affected was located on the flow line right away and the lease road running north of the injection line. Talon/LPE has been contracted for the construction of a work plan and the correction of the impacted area.

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:	OIL CONSERVATION DIVISION	
Printed Name: Garrett Newton	Signed By: Approved by District Supervisor:	
Title: Field Supervisor	Approval Date: <u>4/28/2011</u>	Expiration Date:
E-mail Address: gnewton@pvtnetworks.net	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION	Attached <input type="checkbox"/>
Date: 04/21/2011	Phone: 575-513-0230	

PROPOSAL NOT LATER THAN:
5/28/2011

2RR 769