

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
HOBS OGD
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
NOV 07 2014

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Received Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Tandem Energy Corporation	Contact: Ernie Sanchez
Address: 1494 Blue Stem Rd, Loco Hills, NM 88255	Telephone No.: (575) 308-0716 (575) 703-6865 (cell)
Facility Name: Pure State #1	Facility Type: PW transfer poly line (surface)
Surface Owner: Federal (BLM)	Mineral Owner: State of NM
API No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	36	19S	34E	0	South	2260	East	Lea

Latitude 32° 36.572'N Longitude 103° 30.749'W Surface Elevation (amsl) ~3705-ft

NATURE OF RELEASE

Type of Release: Produced water with minor TPH component	Volume of Release: 15-20 bbl ??	Volume Recovered: 0 bbl
Source of Release: Produce water transfer surface poly flow line	Date and Hour of Occurrence: Estimate Oct-20 or Oct-21	Date and Hour of Discovery: Oct-22 by right-of-way surveyor
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? Right-of-way surveyor notified NMOCD-Hobbs	Date and Hour: Oct-22-2014	
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.*

Integrity of surface poly line was compromised resulting in 3-4 days of produced water release. Upon notification by NMOCD on Oct-23-2014, Ernie Sanchez of Tandem Energy proceeded to the release site and installed a clamp on the poly line.

Describe Area Affected and Cleanup Action Taken.*

At the point of release, the flow line extended south under the fence (section line). The entire release area is on Federal land at the north extent of Section 1, T20S, and R34E. The flow proceeded south from the POR ~15-ft, then west ~20-ft where it pooled. The overflow continued west ~20-ft to another smaller pooled area, then terminated in a narrow westerly flow path ~2-ft wide X ~15-ft long. An exact measurement of the irregular affected area was not obtained; a reasonable estimate is ~1,500-ft². Tandem Energy has retained Alfredo's Trucking & Backhoe Service (ATBS) to remediate the site to achieve NMOCD approval for closure of the site. ATBS will submit an approvable Corrective Action Plan to NMOCD for this project. Copies of the approved plan will be forwarded to Matthew Hagman (State Land Office-Hobbs) and Jeff Robertson (BLM-Carlsbad). ATBS will obtain a Right of Entry permit from the State Land Office to access the site from a Tandem Energy well pad ~900-ft north of the 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>Ernie Sanchez</i>	OIL CONSERVATION DIVISION	
Printed Name: Ernie Sanchez	<i>[Signature]</i> Approved by Environmental Specialist:	
Title: Field Foreman, Tandem Energy Corp	Approval Date: <i>11-7-14</i>	Expiration Date: <i>1-7-15</i>
E-mail Address: <i>esanchez@platenergy.com</i>	Conditions of Approval: <i>Site samples required debris & mulch are as per NMOCD guides - Subir Fuld</i>	Attached <input type="checkbox"/> RP# 3397
Date: November 7, 2014	Phone: (575) 703-6865	

* Attach Additional Sheets If Necessary

11-10-14 954461
C-141 by *1-7-15*

NOV 10 2014