

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

8 BES0515757399

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: <i>Merit Energy Company</i>	Contact: <i>Mike Self</i>
Address: <i>P.O. Box 69, Loco Hills N.M., 88255</i>	Telephone No.: <i>505-677-2327</i>
Facility Name: <i>Russell Turner Water Station</i>	Facility Type: <i>Waterflood injection station</i>

Surface Owner: <i>BLM</i>	Mineral Owner: <i>BLM</i>	Lease No.:
---------------------------	---------------------------	------------

LOCATION OF RELEASE

Unit Letter <i>E</i>	Section <i>20</i>	Township <i>17S</i>	Range <i>31E</i>	Feet from the	North/South Line	Feet from the	East/West Line	County <i>Eddy</i>
-------------------------	----------------------	------------------------	---------------------	---------------	------------------	---------------	----------------	-----------------------

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: <i>Oil</i>	Volume of Release: <i>30 bbls</i>	Volume Recovered: <i>25 bbls</i>
Source of Release: <i>Tank</i>	Date and Hour of Occurrence: <i>10/4/05 13:00</i>	Date and Hour of Discovery: <i>10/04/05 13:00</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? <i>Mike Self</i>	Date and Hour:	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <i>N/A</i>	

If a Watercourse was Impacted, Describe Fully.*

N/A

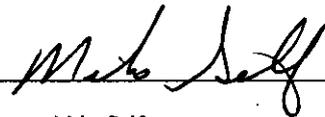
Describe Cause of Problem and Remedial Action Taken.*

A water tank overflowed.

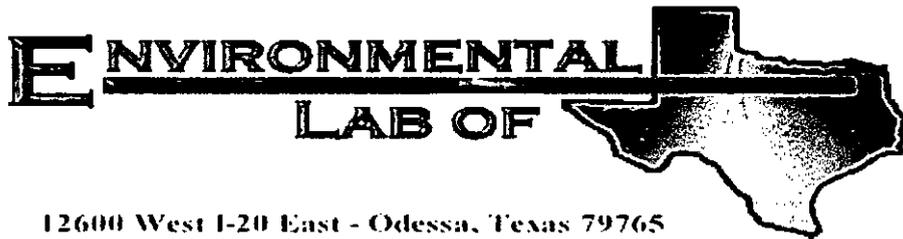
Describe Area Affected and Cleanup Action Taken.*

The spill was contained within the pad site, a vacuum truck picked up all standing fluids (approximately 25 bbl). The affected dirt was scraped off the location and taken to the stockpile to be remediated or disposed of. A confirmation sample was collected from the surface in the affected area. The TPH was 1620 mg/kg, and the BTEX was <0.6 mg/kg.

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: <i>Mike Self</i>	Approved by District Supervisor:	TIM GUM by MB 
Title: <i>Area Foreman</i>	Approval Date: <i>3/30/06</i>	Expiration Date:
E-mail Address: <i>m.self@meritenergy.com</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>3/27/06</i>	Phone: <i>505-677-2327</i>	

* Attach Additional Sheets If Necessary



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Jim Hollon

Terracon Consulting, Inc.

24 Smith Road, Ste. 261

Midland, TX 79705

Project: Russell Turner H2O Station

Project Number: 94057472C

Location: Loco Hills

Lab Order Number: 6C02006

Report Date: 03/09/06

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Russell Turner H2O Station
Project Number: 94057472C
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
03/09/06 16:21

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Surface	6C02006-01	Soil	03/01/06 00:00	03/02/06 08:10

Terracon Consulting, Inc.
 24 Smith Road, Ste. 261
 Midland TX, 79705

Project: Russell Turner H2O Station
 Project Number: 94057472C
 Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
 03/09/06 16:21

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Surface (6C02006-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EC60604	03/06/06	03/06/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	0.121	0.0250	"	"	"	"	"	"	
Xylene (p/m)	0.270	0.0250	"	"	"	"	"	"	
Xylene (o)	0.162	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		86.5 %	80-120	"	"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		100 %	80-120	"	"	"	"	"	
Carbon Ranges C6-C12	189	10.0	mg/kg dry	1	EC60708	03/07/06	03/09/06	EPA 8015M	
Carbon Ranges C12-C28	1290	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	137	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	1620	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		120 %	70-130	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		136 %	70-130	"	"	"	"	"	S-04

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Russell Turner H2O Station
Project Number: 94057472C
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
03/09/06 16:21

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting		Dilution	Batch	Prepared	Analyzed	Method	Notes
		Limit	Units						
Surface (6C02006-01) Soil									
Chloride	3190	50.0	mg/kg	100	EC60801	03/07/06	03/08/06	EPA 300.0	
% Moisture	1.2	0.1	%	1	EC60307	03/02/06	03/03/06	% calculation	

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Russell Turner H2O Station
Project Number: 94057472C
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
03/09/06 16:21

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EC60604 - EPA 5030C (GC)										
Blank (EC60604-BLK1)										
Prepared & Analyzed: 03/06/06										
Benzene	ND	0.0250	mg/kg wet							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
Xylene (p/m)	ND	0.0250	"							
Xylene (o)	ND	0.0250	"							
Surrogate: a,a,a-Trifluorotoluene	32.1		ug/kg	40.0		80.2	80-120			
Surrogate: 4-Bromofluorobenzene	41.0		"	40.0		102	80-120			
LCS (EC60604-BS1)										
Prepared & Analyzed: 03/06/06										
Benzene	0.0405	0.00100	mg/kg wet	0.0500		81.0	80-120			
Toluene	0.0464	0.00100	"	0.0500		92.8	80-120			
Ethylbenzene	0.0555	0.00100	"	0.0500		111	80-120			
Xylene (p/m)	0.117	0.00100	"	0.100		117	80-120			
Xylene (o)	0.0579	0.00100	"	0.0500		116	80-120			
Surrogate: a,a,a-Trifluorotoluene	37.7		ug/kg	40.0		94.2	80-120			
Surrogate: 4-Bromofluorobenzene	42.9		"	40.0		107	80-120			
Calibration Check (EC60604-CCV1)										
Prepared & Analyzed: 03/06/06										
Benzene	40.3		ug/kg	50.0		80.6	80-120			
Toluene	42.0		"	50.0		84.0	80-120			
Ethylbenzene	47.3		"	50.0		94.6	80-120			
Xylene (p/m)	99.5		"	100		99.5	80-120			
Xylene (o)	50.2		"	50.0		100	80-120			
Surrogate: a,a,a-Trifluorotoluene	33.6		"	40.0		84.0	80-120			
Surrogate: 4-Bromofluorobenzene	33.3		"	40.0		83.2	80-120			
Matrix Spike (EC60604-MS1)										
Source: 6C03004-01 Prepared & Analyzed: 03/06/06										
Benzene	1.25	0.0250	mg/kg dry	1.55	ND	80.6	80-120			
Toluene	1.40	0.0250	"	1.55	ND	90.3	80-120			
Ethylbenzene	1.73	0.0250	"	1.55	ND	112	80-120			
Xylene (p/m)	3.64	0.0250	"	3.11	ND	117	80-120			
Xylene (o)	1.82	0.0250	"	1.55	ND	117	80-120			
Surrogate: a,a,a-Trifluorotoluene	34.0		ug/kg	40.0		85.0	80-120			
Surrogate: 4-Bromofluorobenzene	47.1		"	40.0		118	80-120			

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Russell Turner H2O Station
Project Number: 94057472C
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
03/09/06 16:21

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

Batch EC60604 - EPA 5030C (GC)

Matrix Spike Dup (EC60604-MSD1)

Source: 6C03004-01

Prepared & Analyzed: 03/06/06

Benzene	1.26	0.0250	mg/kg dry	1.55	ND	81.3	80-120	0.865	20	
Toluene	1.40	0.0250	"	1.55	ND	90.3	80-120	0.00	20	
Ethylbenzene	1.69	0.0250	"	1.55	ND	109	80-120	2.71	20	
Xylene (p/m)	3.58	0.0250	"	3.11	ND	115	80-120	1.72	20	
Xylene (o)	1.79	0.0250	"	1.55	ND	115	80-120	1.72	20	
Surrogate: a,a,a-Trifluorotoluene	34.1		ug/kg	40.0		85.2	80-120			
Surrogate: 4-Bromofluorobenzene	44.3		"	40.0		111	80-120			

Batch EC60708 - Solvent Extraction (GC)

Blank (EC60708-BLK1)

Prepared: 03/07/06 Analyzed: 03/09/06

Carbon Ranges C6-C12	ND	10.0	mg/kg wet							
Carbon Ranges C12-C28	ND	10.0	"							
Carbon Ranges C28-C35	ND	10.0	"							
Total Hydrocarbon C6-C35	ND	10.0	"							
Surrogate: 1-Chlorooctane	55.7		mg/kg	50.0		111	70-130			
Surrogate: 1-Chlorooctadecane	59.0		"	50.0		118	70-130			

LCS (EC60708-BS1)

Prepared: 03/07/06 Analyzed: 03/09/06

Carbon Ranges C6-C12	564	10.0	mg/kg wet	500		113	75-125			
Carbon Ranges C12-C28	575	10.0	"	500		115	75-125			
Total Hydrocarbon C6-C35	1140	10.0	"	1000		114	75-125			
Surrogate: 1-Chlorooctane	64.1		mg/kg	50.0		128	70-130			
Surrogate: 1-Chlorooctadecane	64.9		"	50.0		130	70-130			

Calibration Check (EC60708-CCV1)

Prepared: 03/07/06 Analyzed: 03/09/06

Carbon Ranges C6-C12	203		mg/kg	250		81.2	80-120			
Carbon Ranges C12-C28	285		"	250		114	80-120			
Total Hydrocarbon C6-C35	488		"	500		97.6	80-120			
Surrogate: 1-Chlorooctane	61.5		"	50.0		123	70-130			
Surrogate: 1-Chlorooctadecane	53.0		"	50.0		106	70-130			

Terracon Consulting, Inc.
 24 Smith Road, Ste. 261
 Midland TX, 79705

Project: Russell Turner H2O Station
 Project Number: 94057472C
 Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
 03/09/06 16:21

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

Batch EC60708 - Solvent Extraction (GC)

Matrix Spike (EC60708-MS1)

Source: 6C06005-01

Prepared: 03/07/06 Analyzed: 03/09/06

Carbon Ranges C6-C12	604	10.0	mg/kg dry	519	ND	116	75-125			
Carbon Ranges C12-C28	586	10.0	"	519	ND	113	75-125			
Total Hydrocarbon C6-C35	1190	10.0	"	1040	ND	114	75-125			
Surrogate: 1-Chlorooctane	60.4		mg/kg	50.0		121	70-130			
Surrogate: 1-Chlorooctadecane	57.3		"	50.0		115	70-130			

Matrix Spike Dup (EC60708-MSD1)

Source: 6C06005-01

Prepared: 03/07/06 Analyzed: 03/09/06

Carbon Ranges C6-C12	620	10.0	mg/kg dry	519	ND	119	75-125	2.61	20	
Carbon Ranges C12-C28	600	10.0	"	519	ND	116	75-125	2.36	20	
Total Hydrocarbon C6-C35	1220	10.0	"	1040	ND	117	75-125	2.49	20	
Surrogate: 1-Chlorooctane	61.2		mg/kg	50.0		122	70-130			
Surrogate: 1-Chlorooctadecane	57.6		"	50.0		115	70-130			

Terracon Consulting, Inc.
 24 Smith Road, Ste. 261
 Midland TX, 79705

Project: Russell Turner H2O Station
 Project Number: 94057472C
 Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
 03/09/06 16:21

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EC60307 - General Preparation (Prep)										
Blank (EC60307-BLK1) Prepared: 03/02/06 Analyzed: 03/03/06										
% Solids	100		%							
Duplicate (EC60307-DUP1) Source: 6C02006-01 Prepared: 03/02/06 Analyzed: 03/03/06										
% Solids	98.9		%		98.8			0.101	20	
Duplicate (EC60307-DUP2) Source: 6C02009-08 Prepared: 03/02/06 Analyzed: 03/03/06										
% Solids	71.3		%		73.3			2.77	20	
Batch EC60801 - Water Extraction										
Blank (EC60801-BLK1) Prepared: 03/07/06 Analyzed: 03/08/06										
Chloride	ND	0.500	mg/kg							
LCS (EC60801-BS1) Prepared: 03/07/06 Analyzed: 03/08/06										
Chloride	8.66		mg/L	10.0		86.6	80-120			
Calibration Check (EC60801-CCV1) Prepared: 03/07/06 Analyzed: 03/08/06										
Chloride	9.34		mg/L	10.0		93.4	80-120			
Duplicate (EC60801-DUP1) Source: 6C02003-01 Prepared: 03/07/06 Analyzed: 03/08/06										
Chloride	473	10.0	mg/kg		470			0.636	20	

Terracon Consulting, Inc.
24 Smith Road, Ste. 261
Midland TX, 79705

Project: Russell Turner H2O Station
Project Number: 94057472C
Project Manager: Jim Hollon

Fax: (432) 684-9608

Reported:
03/09/06 16:21

Notes and Definitions

S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.

DET Analyte DETECTED

ND Analyte NOT DETECTED at or above the reporting limit

NR Not Reported

dry Sample results reported on a dry weight basis

RPD Relative Percent Difference

LCS Laboratory Control Spike

MS Matrix Spike

Dup Duplicate

Report Approved By: _____

Raland K Tuttle

Date: _____

3/9/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas
Variance / Corrective Action Report – Sample Log-In

Client: Terracem
 Date/Time: 3/2/06 8:10
 Order #: 6002006
 Initials: CK

Sample Receipt Checklist

	Yes	No	
Temperature of container/cooler?			3.0 C
Shipping container/cooler in good condition?	Yes	No	
Custody Seals intact on shipping container/cooler?	Yes	No	Not present
Custody Seals intact on sample bottles?	Yes	No	Not present
Chain of custody present?	Yes	No	
Sample Instructions complete on Chain of Custody?	Yes	No	
Chain of Custody signed when relinquished and received?	Yes	No	
Chain of custody agrees with sample label(s)	Yes	No	
Container labels legible and intact?	Yes	No	
Sample Matrix and properties same as on chain of custody?	Yes	No	
Samples in proper container/bottle?	Yes	No	
Samples properly preserved?	Yes	No	
Sample bottles intact?	Yes	No	
Preservations documented on Chain of Custody?	Yes	No	
Containers documented on Chain of Custody?	Yes	No	
Sufficient sample amount for indicated test?	Yes	No	
All samples received within sufficient hold time?	Yes	No	
VOC samples have zero headspace?	Yes	No	Nct Apolicable

Other observations:

Variance Documentation:

Contact Person: - _____ Date/Time: _____ Contacted by: _____
 Regarding: _____

Corrective Action Taken:

