

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

Release Notification and Corrective Action

FBES0515757399

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.:
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N MLB 0526550287

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>
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: <i>Injection water</i>	Volume of Release: <i>30 bbls</i>	Volume Recovered: <i>5 bbls</i>
Source of Release: <i>Sump tank</i>	Date and Hour of Occurrence: <i>09/21/05</i>	Date and Hour of Discovery: <i>09/21/05 06:00</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>D. Cleghorn / BLM</i>	
By Whom? <i>Mike Self</i>	Date and Hour: <i>09/21/05 08:00</i>	
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

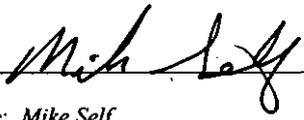
Describe Cause of Problem and Remedial Action Taken.*

A 210 bbl sump tank overflowed. The tank was emptied and an alarm system was installed.

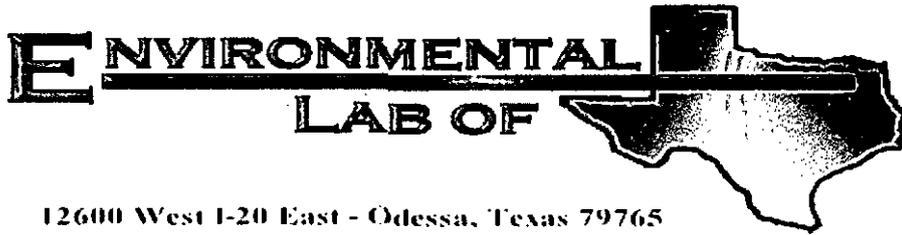
Describe Area Affected and Cleanup Action Taken.*

The spill was contained in the firewall, a vacuum truck picked up all standing fluids (approximately 25 bbl). Confirmation samples were collected from the low point in the firewall at 1', 2', and 4' intervals. At 1' the TPH was 163 mg/kg, BTEX was <0.0250mg/kg and chlorides were 352 mg/kg. The 2' and 4' samples had chlorides at 56.5 mg/kg and 23.8 mg/kg respectively

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 Water Station

Project Number: 94057472C

Location: Loco Hills

Lab Order Number: 6B23012

Report Date: 03/01/06

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

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

Fax: (432) 684-9608

Reported:
03/01/06 11:28

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
1'	6B23012-01	Soil	02/22/06 00:00	02/23/06 08:45
2'	6B23012-02	Soil	02/22/06 00:00	02/23/06 08:45
4'	6B23012-03	Soil	02/22/06 00:00	02/23/06 08:45

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Reported:
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Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
1' (6B23012-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EB62305	02/23/06	02/23/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate: a.a.a-Trifluorotoluene</i>		81.0 %	80-120		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		91.2 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB62312	02/23/06	02/24/06	EPA 8015M	
Carbon Ranges C12-C28	72.8	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	89.7	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	163	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		102 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		104 %	70-130		"	"	"	"	

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

Analyte	Result	Reporting		Dilution	Batch	Prepared	Analyzed	Method	Notes
		Limit	Units						
1' (6B23012-01) Soil									
Chloride	352	10.0	mg/kg	20	EB62709	02/24/06	02/27/06	EPA 300.0	
% Moisture	11.2	0.1	%	1	EB62402	02/23/06	02/24/06	% calculation	
2' (6B23012-02) Soil									
Chloride	56.5	5.00	mg/kg	10	EB62709	02/24/06	02/27/06	EPA 300.0	
4' (6B23012-03) Soil									
Chloride	23.8	5.00	mg/kg	10	EB62709	02/24/06	02/27/06	EPA 300.0	

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Reported:
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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 EB62305 - EPA 5030C (GC)										
Blank (EB62305-BLK1) Prepared & Analyzed: 02/23/06										
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	34.0		ug/kg	40.0		85.0	80-120			
Surrogate: 4-Bromofluorobenzene	40.6		"	40.0		102	80-120			
LCS (EB62305-BS1) Prepared & Analyzed: 02/23/06										
Benzene	0.0428	0.00100	mg/kg wet	0.0500		85.6	80-120			
Toluene	0.0484	0.00100	"	0.0500		96.8	80-120			
Ethylbenzene	0.0565	0.00100	"	0.0500		113	80-120			
Xylene (p/m)	0.119	0.00100	"	0.100		119	80-120			
Xylene (o)	0.0589	0.00100	"	0.0500		118	80-120			
Surrogate: a,a,a-Trifluorotoluene	35.4		ug/kg	40.0		88.5	80-120			
Surrogate: 4-Bromofluorobenzene	47.2		"	40.0		118	80-120			
Calibration Check (EB62305-CCV1) Prepared & Analyzed: 02/23/06										
Benzene	41.2		ug/kg	50.0		82.4	80-120			
Toluene	45.6		"	50.0		91.2	80-120			
Ethylbenzene	52.4		"	50.0		105	80-120			
Xylene (p/m)	109		"	100		109	80-120			
Xylene (o)	54.9		"	50.0		110	80-120			
Surrogate: a,a,a-Trifluorotoluene	33.9		"	40.0		84.8	80-120			
Surrogate: 4-Bromofluorobenzene	43.0		"	40.0		108	80-120			
Matrix Spike (EB62305-MS1) Source: 6B23012-01 Prepared & Analyzed: 02/23/06										
Benzene	1.13	0.0250	mg/kg dry	1.41	ND	80.1	80-120			
Toluene	1.19	0.0250	"	1.41	ND	84.4	80-120			
Ethylbenzene	1.49	0.0250	"	1.41	ND	106	80-120			
Xylene (p/m)	3.01	0.0250	"	2.82	ND	107	80-120			
Xylene (o)	1.51	0.0250	"	1.41	ND	107	80-120			
Surrogate: a,a,a-Trifluorotoluene	34.2		ug/kg	40.0		85.5	80-120			
Surrogate: 4-Bromofluorobenzene	45.4		"	40.0		114	80-120			

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Reported:
 03/01/06 11:28

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
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Batch EB62305 - EPA 5030C (GC)

Matrix Spike Dup (EB62305-MSD1)

Source: 6B23012-01

Prepared & Analyzed: 02/23/06

Benzene	1.15	0.0250	mg/kg dry	1.41	ND	81.6	80-120	1.86	20	
Toluene	1.30	0.0250	"	1.41	ND	92.2	80-120	8.83	20	
Ethylbenzene	1.52	0.0250	"	1.41	ND	108	80-120	1.87	20	
Xylene (p/m)	3.18	0.0250	"	2.82	ND	113	80-120	5.45	20	
Xylene (o)	1.62	0.0250	"	1.41	ND	115	80-120	7.21	20	
Surrogate: a,a,a-Trifluorotoluene	33.0		ug/kg	40.0		82.5	80-120			
Surrogate: 4-Bromofluorobenzene	41.7		"	40.0		104	80-120			

Batch EB62312 - Solvent Extraction (GC)

Blank (EB62312-BLK1)

Prepared & Analyzed: 02/23/06

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	63.5		mg/kg	50.0		127	70-130			
Surrogate: 1-Chlorooctadecane	59.3		"	50.0		119	70-130			

LCS (EB62312-BS1)

Prepared & Analyzed: 02/23/06

Carbon Ranges C6-C12	456	10.0	mg/kg wet	500		91.2	75-125			
Carbon Ranges C12-C28	409	10.0	"	500		81.8	75-125			
Total Hydrocarbon C6-C35	865	10.0	"	1000		86.5	75-125			
Surrogate: 1-Chlorooctane	58.9		mg/kg	50.0		118	70-130			
Surrogate: 1-Chlorooctadecane	53.9		"	50.0		108	70-130			

Calibration Check (EB62312-CCV1)

Prepared: 02/23/06 Analyzed: 02/24/06

Carbon Ranges C6-C12	222		mg/kg	250		88.8	80-120			
Carbon Ranges C12-C28	236		"	250		94.4	80-120			
Total Hydrocarbon C6-C35	458		"	500		91.6	80-120			
Surrogate: 1-Chlorooctane	62.2		"	50.0		124	70-130			
Surrogate: 1-Chlorooctadecane	62.9		"	50.0		126	70-130			

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Reported:
 03/01/06 11:28

**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
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Batch EB62312 - Solvent Extraction (GC)

Matrix Spike (EB62312-MSI)		Source: 6B22013-01			Prepared: 02/23/06		Analyzed: 02/24/06	
Carbon Ranges C6-C12	501	10.0	mg/kg dry	543	ND	92.3	75-125	
Carbon Ranges C12-C28	502	10.0	"	543	35.7	85.9	75-125	
Total Hydrocarbon C6-C35	1000	10.0	"	1090	71.3	85.2	75-125	
Surrogate: 1-Chlorooctane	63.6		mg/kg	50.0		127	70-130	
Surrogate: 1-Chlorooctadecane	57.8		"	50.0		116	70-130	

Matrix Spike Dup (EB62312-MSD1)		Source: 6B22013-01			Prepared: 02/23/06		Analyzed: 02/24/06	
Carbon Ranges C6-C12	506	10.0	mg/kg dry	543	ND	93.2	75-125	0.993 20
Carbon Ranges C12-C28	504	10.0	"	543	35.7	86.2	75-125	0.398 20
Total Hydrocarbon C6-C35	1010	10.0	"	1090	71.3	86.1	75-125	0.995 20
Surrogate: 1-Chlorooctane	64.2		mg/kg	50.0		128	70-130	
Surrogate: 1-Chlorooctadecane	58.0		"	50.0		116	70-130	

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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 EB62402 - General Preparation (Prep)										
Blank (EB62402-BLK1) Prepared: 02/23/06 Analyzed: 02/24/06										
% Solids	100		%							
Duplicate (EB62402-DUP1) Source: 6B22012-01 Prepared: 02/23/06 Analyzed: 02/24/06										
% Solids	98.0		%		98.2			0.204	20	
Duplicate (EB62402-DUP2) Source: 6B23018-01 Prepared: 02/23/06 Analyzed: 02/24/06										
% Solids	99.1		%		99.0			0.101	20	
Batch EB62709 - Water Extraction										
Blank (EB62709-BLK1) Prepared: 02/24/06 Analyzed: 02/27/06										
Chloride	ND	0.500	mg/kg							
LCS (EB62709-BS1) Prepared: 02/24/06 Analyzed: 02/27/06										
Chloride	9.43	0.500	mg/kg	10.0		94.3	80-120			
Calibration Check (EB62709-CCV1) Prepared: 02/24/06 Analyzed: 02/27/06										
Chloride	8.77		mg/L	10.0		87.7	80-120			
Duplicate (EB62709-DUP1) Source: 6B23012-01 Prepared: 02/24/06 Analyzed: 02/27/06										
Chloride	347	10.0	mg/kg		352			1.43	20	

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Notes and Definitions

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: 3/1/2006

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.

Variance / Corrective Action Report - Sample Log-in

Client: TERRACON

Date/Time: 2/23/06 9:00

Order #: LB23012

Initials: UK

Sample Receipt Checklist

	Yes	No		
Temperature of container/cooler?			3.5	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/>	No		
Custody Seals intact on shipping container/cooler?	Yes	No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/>	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/>	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/>	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/>	No		
Container labels legible and intact?	<input checked="" type="checkbox"/>	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/>	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/>	No		
Samples properly preserved?	<input checked="" type="checkbox"/>	No		
Sample bottles intact?	<input checked="" type="checkbox"/>	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/>	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	No		
VOC samples have zero headspace?	<input checked="" type="checkbox"/>	No	Not Applicable	

Other observations:

Variance Documentation:

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

Regarding:

Corrective Action Taken:

