

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Targa Midstream Services L P	Contact: James Lingnau 505.394.2534, Chuck Tolsma 505.631.6026
Address: PO Box 1909 Eunice, NM 88231	Telephone No. (505) 394-2534
Facility Name: Eunice Gathering System	Facility Type
Surface Owner: McCasland	Mineral Owner:
	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
NE Corner	31	20S	39E					Lea

Latitude 32.33.806 N Longitude 103.05.492W

NATURE OF RELEASE

Type of Release: Gas and Produced Liquids	Volume of Release: Gas and estimated 15 barrels of liquid.	Volume Recovered. None
Source of Release: 4" Gas Gathering Pipeline Failure, Line pressure 12#, Volume of throughput 30mcf/d, Line depth 4 feet, Less than 50 ppm H2S,	Date and Hour of Occurrence:	Date and Hour of Discovery 2/28/07
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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. * A Four inch gathering line had a leak and released gas and any produced liquids that were lying in the line. Field operators immediately blocked in line. Repairs were made to the line and area was treated by bio-remediation. Line started to leak again and reported to TARGA.		
Describe Area Affected and Cleanup Action Taken.* Targa has replaced two sections of steel line with poly line. Targa has removed 156 yards of the contaminated soil to landfarm. The area has been tested per OCD guidelines. The area will be backfilled with clean soil upon approval of closure by OCD.		
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>Don Embrey</i>	OIL CONSERVATION DIVISION	
Printed Name: Don Embrey	Approved by District Supervisor: <i>Chuck Tolsma</i>	
Title: Advisor	Approval Date: 7.17.07	Expiration Date: —
E-mail Address: dembrey@targaresources.com	Conditions of Approval: —	Attached <input type="checkbox"/>
Date: 6/20/07	Phone: (432) 688-0546	

* Attach Additional Sheets If Necessary

RP-1290

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Avenue, Artesia, NM 88210
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7006 Rio Brazos Road, Aztec, NM 87410
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State of New Mexico
Energy Minerals and Natural Resources

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Revised October 10, 2003

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Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Targa Midstream Services L P	Contact: James Lingnau 505.394.2534, Chuck Tolsma 505.631.6026
Address: PO Box 1909 Eunice, NM 88231	Telephone No. (505) 394-2534
Facility Name: Eunice Gathering System	Facility Type
Surface Owner: McCasland	Mineral Owner:
	Lease No.

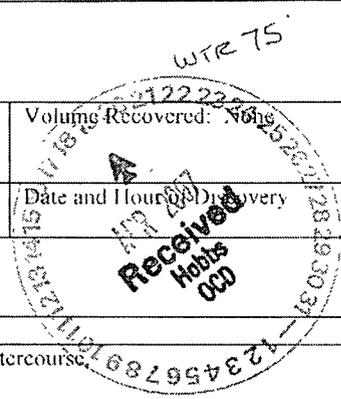
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
NE Corner	31	20S	39E					Lea

Latitude 32.33.806 N Longitude 103.05.492 W

NATURE OF RELEASE

Type of Release: Gas and Produced Liquids	Volume of Release: Gas and estimated less than 5 barrels of liquid.	Volume Recovered: None
Source of Release: 4.5" Pipeline Failure	Date and Hour of Occurrence	Date and Hour of Recovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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. *
A Four and one half (4.5) inch gathering line had a leak and released gas and any produced liquids that were lying in the line. Field was immediately blocked in line. Repairs were made to the line and area was treated by bio-remediation. Line started to leak again - TARGA.

Describe Area Affected and Cleanup Action Taken *
Targa is currently digging out the area to repair the line and remove any contaminated soil. The area will

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Under the regulations all operators are required to report and/or file certain release notification information if the release poses a potential public health or the environment. The acceptance of a C-141 report by the NMOCD does not constitute an acknowledgment of liability should their operations have failed to adequately investigate and remediate a release. In addition, NMOCD acceptance of a C-141 report does not constitute an acknowledgment of liability with any other federal, state, or local laws and/or regulations.

PIPELINE LEAK INFO (C-141)
Line size, Normal operating PSI, Daily throughput, H2S ppm, Line depth, Gravity (if oil), field gathering line or transmission, areal dimensions of liquid spill, year of installation

4"
30 msf
4 ft.
less than
50 ppb
12#

Signature: <i>Don Embrey</i>	Approved by District Supervisor:	
Printed Name: Don Embrey	Approval Date:	Expiration Date:
Title: Advisor	Conditions of Approval:	
E-mail Address: dembrey@targaresources.com	Attached <input type="checkbox"/>	
Date: 3/15/07 Phone: (432) 688-0546		

* Attach Additional Sheets If Necessary

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Energy Minerals and Natural Resources

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Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Targa Midstream Services L P	Contact: James Lingnau 505.394.2534, Chuck Tolsma 505.631.6026
Address: PO Box 1909 Eunice, NM 88231	Telephone No. (505) 394-2534
Facility Name: Eunice Gathering System	Facility Type
Surface Owner: McCasland	Mineral Owner:
Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
NE Corner	31	20S	39E					Lea

Latitude 32.33.806 N Longitude 103.05.492W

NATURE OF RELEASE

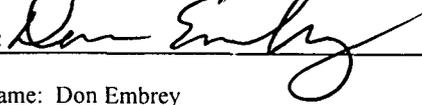
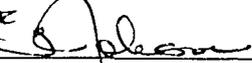
Type of Release: Gas and Produced Liquids	Volume of Release: Gas and estimated less than 5 barrels of liquid.	Volume Recovered: None
Source of Release: 4" Gas Gathering Pipeline Failure, Line pressure 12#, Volume of throughput 30mcf/d, Line depth 4 feet, Less than 50 ppm H2S,	Date and Hour of Occurrence:	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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. *
A Four inch gathering line had a leak and released gas and any produced liquids that were lying in the line. Field operators immediately blocked in line. Repairs were made to the line and area was treated by bio-remediation. Line started to leak again and reported to TARGA..

Describe Area Affected and Cleanup Action Taken.*
Targa has replaced two sections of steel line with poly line. Targa is in the process of removing contaminated soil. The area will be cleaned and tested per OCD guidelines.

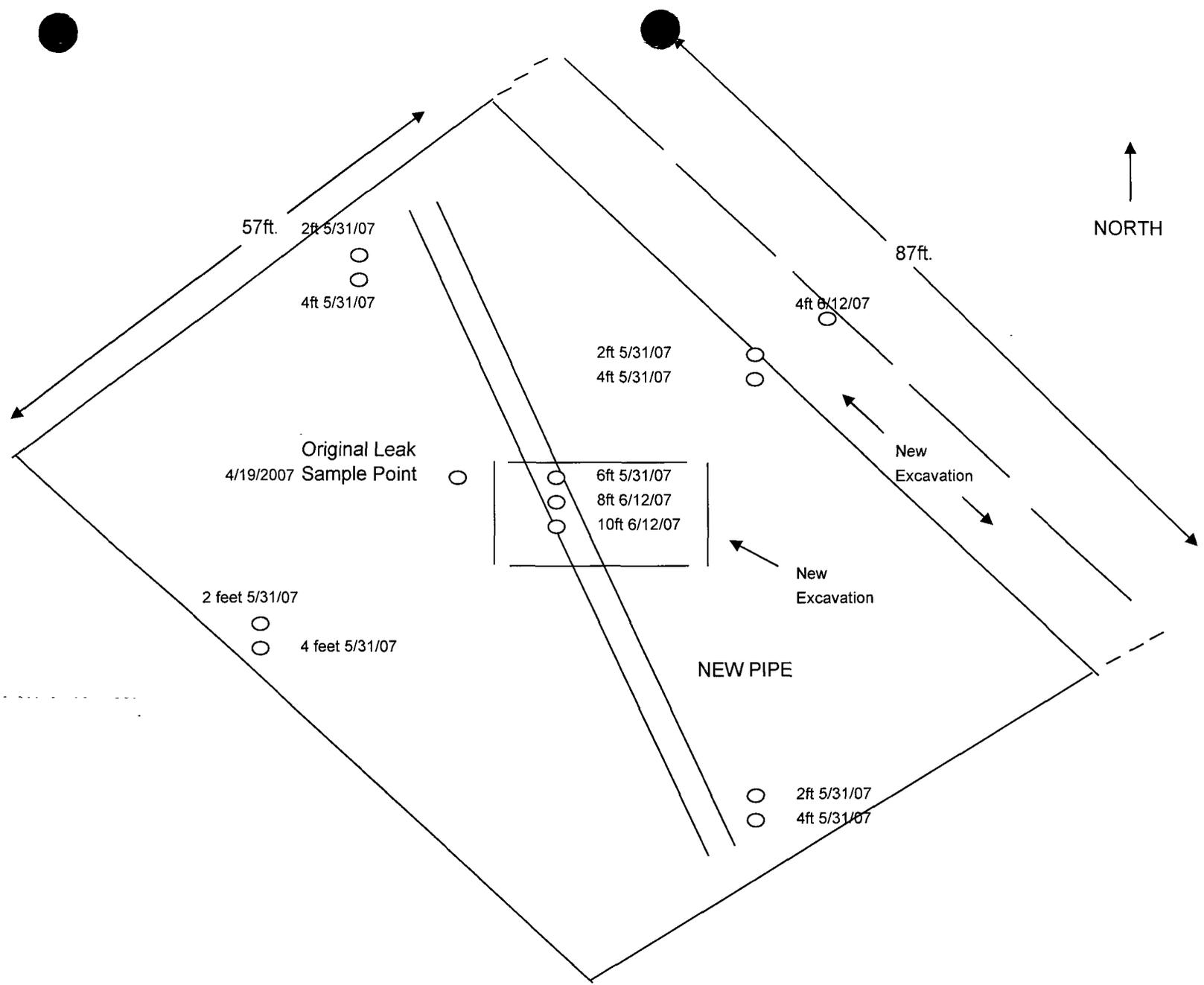
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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: Don Embrey	Approved by District Supervisor: 	
Title: Advisor	Approval Date: <u>4-25-07</u>	Expiration Date:
E-mail Address: dembrey@targaresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 3/15/07 Phone: (432) 688-0546		

Attach Additional Sheets If Necessary

RPF# 1290

SAMPLE DATE	SAMPLE I.D.	SOIL STATUS	TPH GRO	TPH DRO	CHLORIDE
4/19/2007	1 Foot	Excavated	3300	32100	660
4/19/2007	4 feet	In Situ	<10	50.3	16
4/19/2007	8 feet	In Situ	<10	20	<16
4/19/2007	12 feet	In Situ	<10	<10	<16
5/31/2007	E.side 2 feet	In Situ	<25	218	144
5/31/2007	E.side 4 feet	In Situ	<25	537	96
5/31/2007	W.side 2 feet	In Situ	<25	44.5	32
5/31/2007	W.side 4 feet	Excavated	<25	39	560
5/31/2007	N.side 2 feet	In Situ	<25	122	32
5/31/2007	N.side 4 feet	In Situ	<25	80.5	32
5/31/2007	S.side 2 feet	In Situ	<25	<25	32
5/31/2007	S.side 4 feet	In Situ	<25	31.9	<16
5/31/2007	Pipe 6 feet	Excavated	<25	1480	256
6/12/2007	W. side 4 feet	In Situ	<10	20.6	48
6/12/2007	Pipe 8 feet	In Situ	<10	487	112
6/12/2007	Pipe 10 feet	In Situ	<10	436	80



6/14/2007



**ARDINAL
LABORATORIES**

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

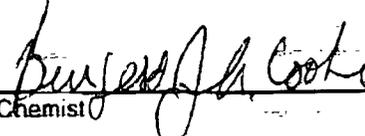
ANALYTICAL RESULTS FOR
TARGA
ATTN: DON EMBREY
6 DESTA DRIVE, SUITE 3300
MIDLAND, TX 79705
FAX TO: (432) 688-0552

Receiving Date: 06/12/07
Reporting Date: 06/13/07
Project Number: NOT GIVEN
Project Name: McCASLAND
Project Location: NOT GIVEN

Sampling Date: 06/12/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: LB
Analyzed By: BC/AB

LAB NO.	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl [*] (mg/Kg)
	ANALYSIS DATE	06/13/07	06/13/07	06/12/07
H12732-1	McC WEST SIDE 4'	<10.0	20.6	48
H12732-2	McC PIPE 8'	<10.0	487	112
H12732-3	McC PIPE 10'	<10.0	438	80
	Quality Control	787	759	500
	True Value QC	800	800	500
	% Recovery	98.3	94.9	100
	Relative Percent Difference	0.7	6.0	1.0

METHODS: TPH GRO & DRO: EPA SW-846 8015.M; Cl^{*}: Std Methods 4500-Cl^{*}B
*Analyses performed on 1:4 w/v aqueous extracts.


Chemist

6/13/07
Date

H12732 TARGA

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. Claims, including those for negligence and any other cause of action, shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325)673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: TARGA		BILL TO		ANALYSIS REQUEST									
Project Manager: Dan Embrey		P.O. #:											
Address: 6 Dextra Drive Suite 3300		Company: TARGA											
City: M. OLAND State: TX Zip: 79705		Attn:											
Phone #: 432-688-0546 Fax #: 432-688-0592		Address: P.O. Box 1909											
Project #:		City: Fernie											
Project Name: McCasland		State: NM Zip: 88231											
Project Location:		Phone #:											
Sampler Name: Dan Embrey		Fax #:											

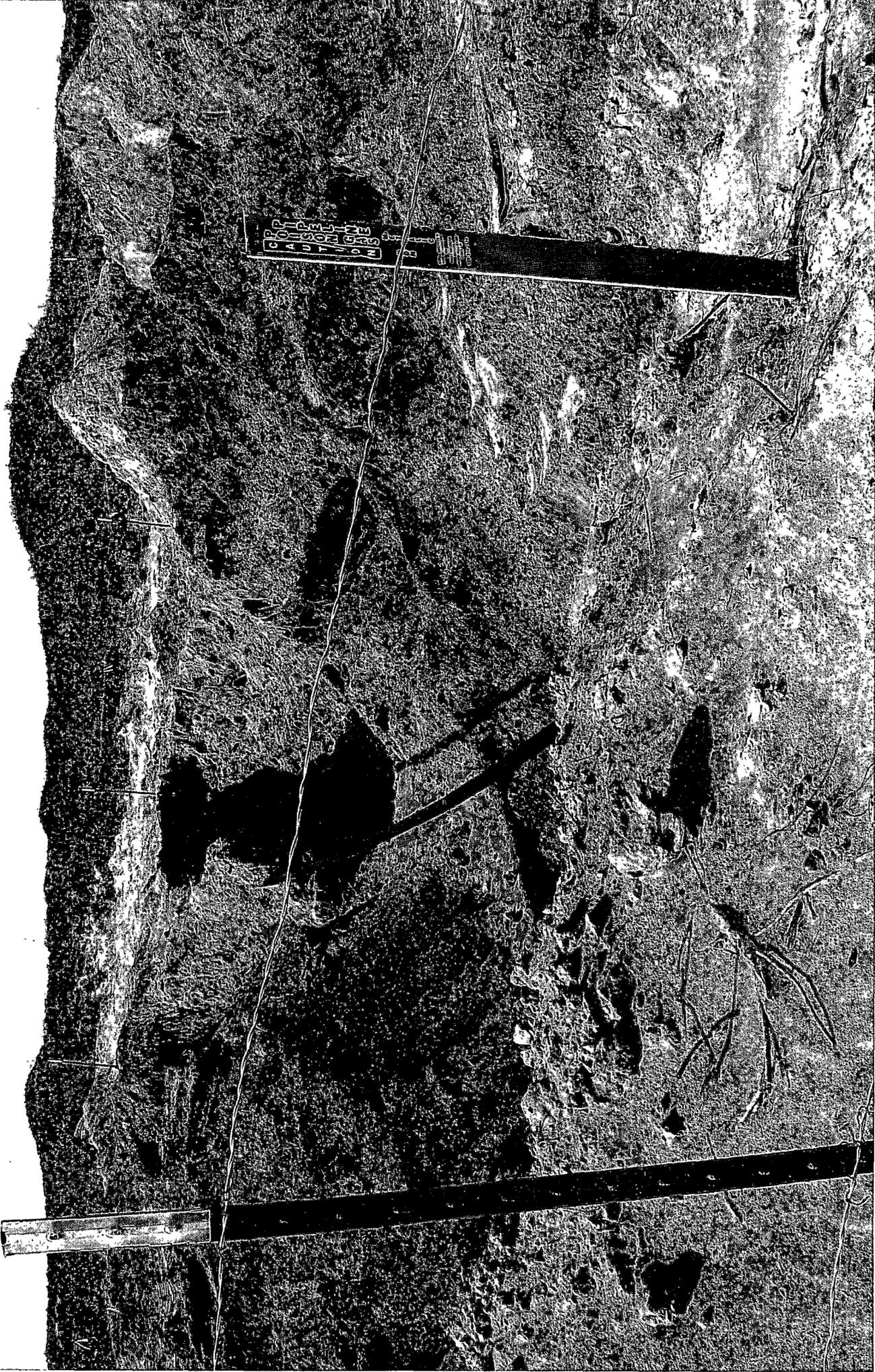
Lab I.D.	Sample I.D.	(GRAB OR (C)OMP. # CONTAINERS	MATRIX							PRESERV.		SAMPLING		DATE	TIME	8015M	CI-
			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER						
H12732-1	MCC West Side 4'	1			X					X			6-12-07	11 AM	X	X	
-2	MCC Pipe 8'	1											6-12-07	11 AM	X	X	
-3	MCC Pipe 10'	1											6-12-07	11 AM	X	X	

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: Dan Embrey	Date: 6-12-07	Received By: [Signature]	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: 12:40		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:	
	Time:			
Delivered By: (Circle One)	Sample Condition	CHECKED BY:		
Sampler - UPS - Bus - Other	Cool Intact	(Initials)		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	[Signature]		
	<input type="checkbox"/> No <input type="checkbox"/> No			

† Cardinal cannot accept verbal changes Please fax written changes to 505-393-2476

6-12-07



6-12-07
6-12-07
6-12-07



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR TARGA

ATTN: DON EMBREY
6 DESTA DRIVE, SUITE 3300
MIDLAND, TX 79705
FAX TO: (432) 688-0552

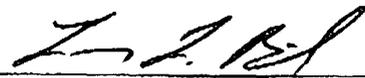
Receiving Date: 05/31/07
Reporting Date: 06/01/07
Project Number: NOT GIVEN
Project Name: McCASLAND
Project Location: NOT GIVEN

Sampling Date: 05/31/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: LB/AB

LAB NUMBER	SAMPLE ID	GRO (C ₈ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl [*] (mg/Kg)
	ANALYSIS DATE	05/31/07	05/31/07	06/01/07
H12684-1	E. SIDE 2'	<25.0	218	144
H12684-2	E. SIDE 4'	<25.0	537	96
H12684-3	W. SIDE 2'	<25.0	44.5	32
H12684-4	W. SIDE 4'	<25.0	39.0	560
H12684-5	N. SIDE 2'	<25.0	122	32
H12684-6	N. SIDE 4'	<25.0	80.5	32
H12684-7	S. SIDE 2'	<25.0	<25.0	32
H12684-8	S. SIDE 4'	<25.0	31.9	<16
H12684-9	Pipe Bottom 6'	250	1480	256
Quality Control		898	974	480
True Value QC		1000	1000	500
% Recovery		89.8	97.4	96.0
Relative Percent Difference		5.0	7.6	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M, Cl^{*} Std Methods 4500-Cl^{*}B

*Analyses performed on 1:4 w:v aqueous extracts.


Chemist

6/1/07
Date

H12684 TARGA

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.



5-31-07

5-31-07



5-31-07





ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
TARGA
ATTN: DON EMBREY
6 DESTA DRIVE, SUITE 3300
MIDLAND, TX 79705
FAX TO: (432) 688-0552

Receiving Date: 04/19/07
Reporting Date: 04/20/07
Project Number: NOT GIVEN
Project Name: McCASLAND
Project Location: NOT GIVEN

Sampling Date: 04/19/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/LB

LAB NUMBER	SAMPLE ID	GRO	DRO	CI*
		(C ₆ -C ₁₀) (mg/Kg)	(>C ₁₀ -C ₂₈) (mg/Kg)	(mg/Kg)
ANALYSIS DATE		04/19/07	04/19/07	04/19/07
H12479-1	#1 1 FOOT	3300	32100	660
H12479-2	#2 4 FEET	<10.0	50.3	16
H12479-3	#3 8 FEET	<10.0	20.0	<16
H12479-4	#4 12 FEET	<10.0	<10.0	<16
Quality Control		780	791	490
True Value QC		800	800	500
% Recovery		97.5	98.9	98.0
Relative Percent Difference		4.4	0.6	0.0

METHODS: TPH GRO & DRO EPA SW-846 8015 M, CI* Std. Methods 4500-CI/B

*Analyses performed on 1:4 w:v aqueous extracts

Burton J. Cooke
Chemist

4/20/07
Date

H12479 TARGA

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profit incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325)673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: TARGA		BILL TO				ANALYSIS REQUEST																					
Project Manager: Don Embrey		P.O. #:				TPALCO/S&A/CL																					
Address: 6 Desta Drive Suite 3300		Company: TARGA																									
City: MIDLAND State: TX Zip: 79705		Attn:																									
Phone #: 432-688-0546 Fax #: 432-688-0552		Address: PO Box 1909																									
Project #:		City: Fuwice																									
Project Name: McCASLAND		State: NM Zip: 88231																									
Project Location:		Phone #:																									
Sampler Name: Don Embrey		Fax #:																									
FOR LAB USE ONLY		MATRIX		PRESERV		SAMPLING																					
Lab I.D.	Sample I.D.	(GRAB OR C/COMP)	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER	DATE	TIME													
H124741	#1 1 Foot					X							4/14/07		X												
	#2 4 feet					X									X												
	#3 8 feet					X									X												
	#4 17 feet					X									X												

PLEASE NOTE Liability and Damages: Cardinal's liability and client's exclusives remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. Claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, excluding without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, or other successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claims are based upon any of the above stated releases or otherwise.

Relinquished By: <i>Don Embrey</i>	Date: 4-19-07	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: 10:35 AM		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:	
	Time:	<i>Burjess Cook</i>		
Delivered By: (Circle One)	Sampler - UPS - Bus - Other:	Sample Condition: Cool Intact	CHECKED BY: (Initials)	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476



3-11-07

3-1-07

