

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	Phoenix Hydrocarbons Operating corp	Contact	Alan Standfer
Address	P O Box 3638, Midland, TX 79701	Telephone No.	432-557-8722
Facility Name	Langlie Jal Unit #30	Facility Type	North Injection Line

Surface Owner	Jal Public Library Trust	Mineral Owner	Federal	Lease No.	N/A
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LOCATION OF RELEASE

AP1 #30025248900000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	6	25S	37E					Lea County, New Mexico

Latitude 32°09'37.8 N Longitude 103°11'58.6 W

NATURE OF RELEASE

Type of Release	Produced wtr	Volume of Release	25 bbls	Volume Recovered	25 bbls (+) 470 bbl
Source of Release	pin hole leak in flowline	Date and Hour of Occurrence	9-30	Date and Hour of Discovery	6 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Pat Richards and Buddy Hill		
By Whom?	Phyllis R. Gunter	Date and Hour	10-1-07, 10:08 Left message on answering machine		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	3031 - 12345678910		

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* (9/30/07) A pinhole leak in the flowline at the North Injection System discharged 25 barrels produced water into a 12" indentation holding rain water. Phoenix closed the west injection valve to stop the leak. The leaking flowline was dug out and a 4" x 4" patch was welded on the pinhole in the injection line. Production was restored.

Describe Area Affected and Cleanup Action Taken.*

The produced water followed a 92 yard trail from the flowline to the 12" indentation with a circumference of 78 yards. All of the water was vacuumed from the indentation, 470 barrels (including the discharged 25 bbls) were recovered that evening and disposed of by Riverside Transport Co. Four soil samples and two water samples from the indentation have been taken to a lab for analysis (diagram of sample areas attached, Exhibit "A"). Mike Griffin with Whole Earth Environmental has been engaged (10/2/07) to evaluate and propose a plan of action for the remaining clean up. Jal Public Library has been notified.

INSPECTION No. 12/WH0727382664

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.

OIL CONSERVATION DIVISION

Signature: *Phyllis R. Gunter*

Printed Name: Phyllis R. Gunter

Title: Agent

E-mail Address: phygun@aol.com

Date: 10/2/07

Phone: 432-686-9869

Approved by District Supervisor:

Chris Williams

Approval Date: 1/16/08

Expiration Date: 4/16/08

Conditions of Approval:

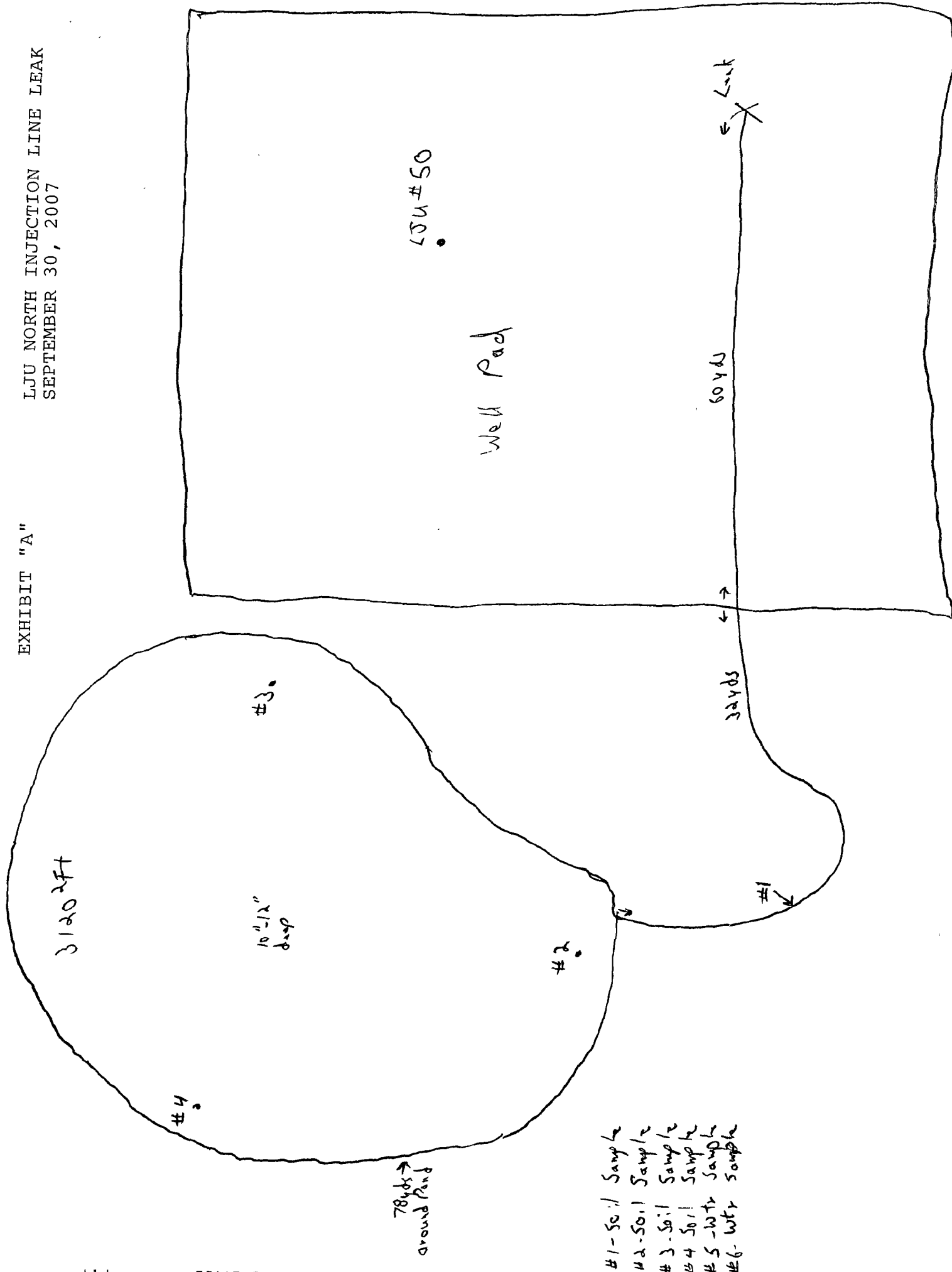
Attached ☐

* Attach Additional Sheets If Necessary

RP#1722

EXHIBIT "A"

LJU NORTH INJECTION LINE LEAK
SEPTEMBER 30, 2007



- #1 - Soil Sample
- #2 - Soil Sample
- #3 - Soil Sample
- #4 - Soil Sample
- #5 - Wtr Sample
- #6 - Wtr Sample