

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
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: Arena Resources, Inc.	Contact: Fred Holmes
Address: 2130 W. Bender Blvd., Hobbs, NM 88240	Telephone No.: 432-563-2200
Facility Name: Phillips Lea #4	Facility Type: Produced Water Injection Facility

Surface Owner:	Mineral Owner: State of NM	Lease No.: 30-025-02156
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LOCATION OF RELEASE

Unit Letter M	Section 31	Township 17S	Range 34E	Feet from the 330	North/South Line South	Feet from the 330	East/West Line West	County Lea
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Latitude: N 32 47' 5.2" Longitude: W103 36' 23.90

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 200 bbls	Volume Recovered: 150 bbls
Source of Release: Wellhead	Date and Hour of Occurrence: 07/15/09- 0900	Date and Hour of Discovery: 07/15/09 - 1000
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leaking	
By Whom? Fred Holmes	Date and Hour: 07/15/09 - 1200	
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.*:

WATER @ 135'

Describe Cause of Problem and Remedial Action Taken.*: Cause was the failure of a fitting at the wellhead. Pump was shut-off, crew summoned to replace fitting and shut in well.

Describe Area Affected and Cleanup Action Taken.*: The spill migrated south then east around the outside of the battery, then crossed lease road and collected in a low area southeast of the battery. Total impacted area is approximately 15,600 sq. ft. Pooled liquids were collected by vacuum truck and transported off-site for disposal. Impacted soils are being excavated and placed of plastic. Clearance sampling is set for 07-20-2009. Impacted soils are to be disposed of off-site at either CRI or Sundance Landfills as per discussion with G. Leaking of OCD on this date.

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: <i>Colleen Robinson</i>	ENV ENGINEER: Approved by District Supervisor: <i>Geoffrey Leaking</i>	
Printed Name: Colleen Robinson	Approval Date: 07/15/09	Expiration Date: 09/15/09
Title: Compliance Analyst	Conditions of Approval:	
E-mail Address: crobison@arenaresourcesinc.com	Attached <input type="checkbox"/>	IRP-09-9-2279
Date: 07/15/09	Phone: 575-738-1739	

* Attach Additional Sheets If Necessary

CLEAN +1. SUBMIT FINAL C-141 BY

FGRL 0927059903