

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

**RECEIVED**

AUG 09 2010

**HOBBSOCD**

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 Patterson UTI Drilling	Contact Leon Stanley
Address PO Box 1416 Snyder, TX	Telephone No. 325 574 6300
Facility Name Rig #46/Well EC C #3	Facility Type Drilling Location

Surface Owner Perry Dean Goff	Mineral Owner State of NM	Lease No. 30-025-39698
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	11	12S	32E	1680'	North	1680'	East	Lea

Latitude N32.29511 Longitude W103.68453

**NATURE OF RELEASE**


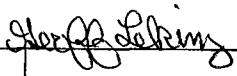
Type of Release Drilling Mud	Volume of Release 70bbls	Volume Recovered 30bbls
Source of Release Mud Tanks	Date and Hour of Occurrence 13 July 10	Date and Hour of Discovery 13 July 10 0800hrs
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffery Leking, NM OCD IRP 10-7-2582	
By Whom? Leon Stanley	Date and Hour 13 July 10 0826hrs	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*  
Valve on hopper side of suction pit was left open causing drilling mud to overflow in hopper and run off location. Vacuum trucks were called to remove all freestanding liquid. A back hoe was used to scrape up and stock pile surface mud to prevent further run off into pasture.

Describe Area Affected and Cleanup Action Taken.\*  
The affected area was approximately 160' x 130' in the pasture off the SE corner of the drilling pad. The area was excavated to a depth of approximately 3' BGS at which point hard rock was encountered. Soil samples were obtained and analyzed for chlorides. Analysis indicated levels slightly above 250ppm. Geoff Leking recommended further sampling of the rock layer to determine if penetration had occurred. Three sample points were chosen and hammered out to approximately 5'-5.5' BGS at which point samples were obtained for analysis. Lab results indicated chloride levels <250ppm on all three samples. Approval for closure was given by Geoff Leking. The area was backfilled with clean material and contoured to match the surrounding terrain.  
\*\*\*\*\*See attached lab analysis.\*\*\*\*\*

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Leon Stanley	ENV. ENGINEER: Approved by District Supervisor: 	
Title: Safety Director	Approval Date: 08/09/10	Expiration Date: —
E-mail Address: Leon.Stanley@patenergy.com	Conditions of Approval:	
Date: 5 Aug 10 Phone: 325 207 1084	Attached <input type="checkbox"/> IRP-10-7-2582	

\* Attach Additional Sheets If Necessary



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AUG 09 2010

HOBBSOCD

ANALYTICAL RESULTS FOR  
HUNGRY HORSE ENVIRONMENTAL SERVICES  
ATTN: VERNON K. BLACK  
P.O. BOX 1058  
HOBBS, NM 88241  
FAX TO: (575) 391-4585

Receiving Date: 07/28/10  
Reporting Date: 07/28/10  
Project Owner: PATTERSON UTI DRILLING  
Project Name: RIG #46/PALADIN WELL ECC #3  
Project Location: WEST OF TATUM, NM

Analysis Date: 07/28/10  
Sampling Date: 07/28/10  
Sample Type: SOIL  
Sample Condition: INTACT @ 25°C  
Sample Received By: JH  
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl <sup>-</sup> (mg/kg)
<b>HOLES HAMMERED THRU ROCK</b>		
H20444-1	WEST SIDE 5.5' BGS	208
H20444-2	MIDDLE 4.5' BGS	96
H20444-3	EAST SIDE 4.0' BGS	80
Quality Control		520
True Value QC		500
% Recovery		104
Relative Percent Difference		< 0.1

**METHOD:** Standard Methods

4500-CIB

Analyses performed on 1:4 aqueous extracts.

Not accredited for Chloride.

Chemist

Date \_\_\_\_\_

H20444 HHE

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# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Page \_\_\_\_ of \_\_\_\_

Company Name: <u>Hungry Horse Environmental Services</u>				<b>BILL TO</b>		<b>ANALYSIS REQUEST</b>											
Project Manager: <u>Vernon K. Black</u>				P.O. #:													
Address: <u>P.O. Box 1058</u>				Company: <u>SAME</u>													
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88241</u>				Attn:													
Phone #: <u>575-393-3386</u> Fax #: <u>575-391-4585</u>				Address:													
Project #: _____ Project Owner: <u>Patterson UTI Drilling</u>				City:													
Project Name: <u>Rig #46 / Pelican Well ECC #3</u>				State: _____ Zip: _____													
Project Location: <u>West of Tucuman NM</u>				Phone #: _____													
Sampler Name: <u>Vernon K. Black</u>				Fax #: _____													
FOR LAB USE ONLY																	
Lab I.D.		Sample I.D.		MATRIX		PRESERV.		SAMPLING		<div style="position: absolute; top: 400px; left: 400px; font-size: 2em; transform: rotate(-90deg);">             11-11-11           </div>							
H20444-1		Holes Hammered thru Rock		GROUNDWATER		ACIDBASE		DATE								TIME	
2 West Side 5.5' BGS		X		WASTEWATER		ICE / COOL		28 JUL								0900	
3 Middle 4.5' BGS		X		SOIL		OTHER		"								1000	
		X		SLUDGE				"								1100	
				OTHER													

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Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collection, including attorney's fees.

Sampler Relinquished:		Date:		Received By:		Phone Result: <input type="checkbox"/>		No		Add'l Phone #:			
		Time:				Fax Result: <input type="checkbox"/>		No		Add'l Fax #:			
Relinquished By: <u>[Signature]</u>		Date: <u>28 JUL 10</u>		Received By: <u>Jodi Benson</u>		REMARKS: <u>RUSH!</u> <u>575-631-2253</u> <u>[Signature]</u>							
Time: <u>1:30</u>		Time: <u>1:30</u>											
Delivered By: (Circle One)		Temp:		Sample Condition								CHECKED BY: <u>[Signature]</u>	
Sampler - UPS - Bus - Other:		25		Cool Intact <input checked="" type="checkbox"/>									
				Cool Intact <input type="checkbox"/>									
				Cool Intact <input type="checkbox"/>									
				Cool Intact <input type="checkbox"/>									

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

#26



Analyzed By: HM

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Page \_\_\_\_ of \_\_\_\_

<b>Company Name:</b> Hungry Horse Environmental Services <b>Project Manager:</b> Vernon K. Black <b>Address:</b> PO Box 1058 <b>City:</b> Hobbs <b>State:</b> NM <b>Zip:</b> 88241 <b>Phone #:</b> 575-393-3386 <b>Fax #:</b> 575-391-4585 <b>Project #:</b> <b>Project Owner:</b> Patterson UT Drilling <b>Project Name:</b> Drill Rig #46 / Padlock Well STATE ECH#3 <b>Project Location:</b> West of Tatum Lea County NM <b>Sampler Name:</b> Vernon K. Black				<b>BILL TO</b> <b>P.O. #:</b> <b>Company:</b> SAME <b>Attn:</b> <b>Address:</b> <b>City:</b> <b>State:</b> <b>Zip:</b> <b>Phone #:</b> <b>Fax #:</b>		<b>ANALYSIS REQUEST</b>																		
FOR LAB USE ONLY				MATRIX		PRESERV.		SAMPLING		<div style="writing-mode: vertical-rl; transform: rotate(180deg);">chlorides</div>														
Lab I.D.	Sample I.D.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	SLUDGE	OTHER	ACIDBASE:	ICE / COOL													OTHER	DATE	TIME
H20371-1	NE Corner 2' BGS	C			X																		7/15/11	1430
-2	SE Corner 2.5 BGS	C			X						7/15/11	1400												

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<b>Sampler Relinquished:</b> Date: _____ Time: _____ Relinquished By: <i>[Signature]</i> Delivered By: (Circle One) <input checked="" type="checkbox"/> UPS <input type="checkbox"/> Bus <input type="checkbox"/> Other: _____ Sampler: <input checked="" type="checkbox"/> UPS <input type="checkbox"/> Bus <input type="checkbox"/> Other: _____		<b>Received By:</b> Date: <i>7/15/11</i> Time: <i>1645</i> Received By: <i>[Signature]</i> Temp: _____ Sample Condition: <input checked="" type="checkbox"/> Cool <input checked="" type="checkbox"/> Intact Checked By: <i>[Signature]</i> (Initials)		<b>Phone Result:</b> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <b>Add'l Phone #:</b> _____ <b>Fax Result:</b> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <b>Add'l Fax #:</b> _____ <b>REMARKS:</b>	
--	--	--	--	---	--

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



Analysis Date: 07/22/10  
Sampling Date: 07/21/10  
Sample Type: SOIL  
Sample Condition: INTACT @ 24°C  
Sample Received By: JH  
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl <sup>-</sup> (mg/kg)
H20398-1	SW CORNER 3' BGS	384
H20398-2	NW CORNER 3' BGS	32
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

4500-CI-B

Not accredited for Chloride.

*Chap. Heene*  
Chemist

Date 07/26/10

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Page \_\_\_\_ of \_\_\_\_

<b>Company Name:</b> Hungry Horse Environmental Services <b>Project Manager:</b> Vernon K. Black <b>Address:</b> PO Box 1058 <b>City:</b> Hobbs <b>State:</b> NM <b>Zip:</b> 88241 <b>Phone #:</b> 575-393-3386 <b>Fax #:</b> 575-391-4585 <b>Project #:</b> <b>Project Owner:</b> Patterson UTI Drill <b>Project Name:</b> Rig #46 / Reddinwell State ECU #3 <b>Project Location:</b> West of Tatum NM <b>Sampler Name:</b> Vernon K. Black				<b>BILL TO</b> <b>P.O. #:</b> <b>Company:</b> SAME <b>Attn:</b> <b>Address:</b> <b>City:</b> <b>State:</b> <b>Zip:</b> <b>Phone #:</b> <b>Fax #:</b>		<b>ANALYSIS REQUEST</b>																			
FOR LAB USE ONLY		Lab I.D.		Sample I.D.		GIRAB OR (COMP. # CONTAINERS)		MATRIX		PRESERV		SAMPLING		<div style="writing-mode: vertical-rl; transform: rotate(180deg);">Chlorides</div>											
								GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER		ACIDBASE ICE / COOL OTHER		DATE TIME													
		H20598-1		SW Corner 3' BGS		C		X				2/3/90 14:30													
		2		NW Corner 3' BGS		C		X				"													

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<b>Sampler Relinquished:</b> Date: _____ Time: _____ Relinquished By: <i>[Signature]</i> Delivered By: (Circle One) <input checked="" type="checkbox"/> UPS <input type="checkbox"/> Bus <input type="checkbox"/> Other: Sampler - UPS - Bus - Other:		<b>Received By:</b> Date: 2/3/90 Time: 1650 Received By: <i>[Signature]</i> Temp: 24°C Sample Condition: <input checked="" type="checkbox"/> Cool <input type="checkbox"/> Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<b>Phone Result:</b> <input type="checkbox"/> <b>No</b> <b>Fax Result:</b> <input type="checkbox"/> <b>No</b> <b>REMARKS:</b> Add'l Phone #: _____ Add'l Fax #: _____	
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#26

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State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
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JUL 21 2010

HOBBSOCD

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: Patterson UTI Drilling	Contact: Leon Stanley
Address: P.O. Box 1416	Telephone No. 325-574-6300
Facility Name: Rig 46 / Well EEC # 3	Facility Type: Drilling Location

Surface Owner: Perry Goff	Mineral Owner: State	Lease No. 30-025-39698
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LOCATION OF RELEASE

Unit Letter G	Section 11	Township 12S	Range 32E	Feet from the 1680	North/South Line North	Feet from the 1680	East/West Line East	County Lea
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude N33.29551 Longitude W103.68453

NATURE OF RELEASE

Type of Release: Drilling Mud	Volume of Release: 70 bbl.	Volume Recovered: 30 bbl
Source of Release: Mud Tanks	Date and Hour of Occurrence 7-13-2010	Date and Hour of Discovery 7-13-2010 8:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffery Leking OCD IRP-10-7-2582	
By Whom? Leon Stanley	Date and Hour: 7-13-2010 8:26 AM MT	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully \*

N/A

Describe Cause of Problem and Remedial Action Taken.\*

Valve on hopper on side of suction pit was left open causing drilling mud to overflow in hopper and run off location. Hungry Horse Environmental in Hobbs, New Mexico was called to location.

Describe Area Affected and Cleanup Action Taken.\* Vacuum trucks were brought in to suck up standing fluid. Location was scraped to help prevent further spreading of material.

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>Leon Stanley</i>	OIL CONSERVATION DIVISION	
Printed Name: Leon Stanley	Approved by: <i>Geoffery Leking</i> ENV. ENGINEER District Supervisor	
Title: Safety Director	Approval Date: 07/13/10	Expiration Date: 09/13/10
E-mail Address: Leon.Stanley@patenergy.com	Conditions of Approval: SUBMIT FINAL C-141 BY 09/13/10	Attached <input type="checkbox"/>
Date: 7-15-2010 Phone: 325-207-1084		IRP-10-7-2582

\* Attach Additional Sheets If Necessary