

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

30-015-25160

Release Notification and Corrective Action

AKMW 1104138072

243874 OPERATOR

X Initial Report Final Report

Name of Company Quantum Resources Management, LLC	Contact Garrett Newton
Address 1905 West Sears Ave., Artesia, New Mexico 88210	Telephone No. 575-513-0230
Facility Name Conoco 7 State #12	Facility Type WIW

Surface Owner State	Mineral Owner State	Lease No. B-8096
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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
K	7	19S	29E	1880'	South	1980'	West	EDDY

Latitude 32.67308 Longitude 104.11502

NATURE OF RELEASE

Type of Release Produced Waters	Volume of Release 20 bbls	Volume Recovered -0-
Source of Release Water injection line.	Date and Hour of Occurrence 01/21/2011 9:00am	Date and Hour of Discovery 01/21/2011 9:00am
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD/Mike Bratcher by voice mail box.	
By Whom? Mike Stubblefield	Date and Hour 01/21/2011 1:55pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

The filter located on the injection line developed a leak. The weather was warm and dry at the time of the release. A vacuum truck was brought to the location. No standing water was recovered.

RECEIVED

FEB 07 2011

Describe Area Affected and Cleanup Action Taken.*

The affected area was the location south of the wellhead, the release flowed in a narrow flow path and pooled south of the well. The pooling area was measured to be sixty (60') feet long by forty-nine (49') feet wide. The saturated soil from the release was excavated utilizing a backhoe and then placed on a liner. Talon/LPE has been contracted for the construction of a work plan for the correction of the release.

NMOCD ARTESIA

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: Garrett Newton

Garrett Newton

Printed Name:

Garrett L. Newton

Approved by District Supervisor:

Signed By: *Mike Bratcher*

Title: Field Supervisor

Approval Date: 2/17/2011

Expiration Date:

E-mail Address: gnewton@pvtnetworks.net

Conditions of Approval:

Attached

Date: 2/13/2011

Phone: 575-513-0230

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**

3/17/2011

2RP-601

* Attach Additional Sheets If Necessary