

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

Form C-141

Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 2 Copies to appropriate

District Office in accordance

with Rule 116 on back

side of form.

Release Notification and Corrective Action

30-015-26001

nmlb0500429031 OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	Merit Energy Corporation	Contact	Gene Brookshire
Address	P.O. Box 69	Telephone No.	505-420-5497
Facility Name	West B4 Battery	Facility Type	Tank Battery

Surface Owner	BLM	Mineral Owner	BLM	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
F	10	17S	31E					Eddy

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Crude Oil	<5 bbl	~3 bbl

Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Heater/Treater Unit	12/27/04 6:00 AM	12/27/04 8:15 AM

Was Immediate Notice Given?	If YES, To Whom?
<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required	

By Whom?	Date and Hour
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Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	NA

If a Watercourse was Impacted, Describe Fully*

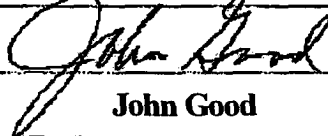
Describe Cause of Problem and Remedial Action Taken. *

Loss of integrity at heater/treater unit at SW corner of battery. <5-bbl release, contained within battery area. Vacuum truck recovered 3-4 bbl.

Describe Area Affected and Cleanup Action Taken. *

Clean soil placed on release area to soak up remaining oil, then manually removed. Contaminated soil moved to east side of battery facility, blended and stockpiled for future use as berm 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:			OIL CONSERVATION DIVISION	
Printed Name:	John Good		Approved by District Supervisor: <i>T. Gurn</i> <i>by M/L to Brantcher</i>	
Title:	Consultant - SESI		Approval Date: 1/4/05	Expiration Date: N/A
E-Mail Address:	ballen@sesi-nm.com		Conditions of Approval:	
Date:	12/29/2004	Phone:	505-397-0510	<input type="checkbox"/> Attached