

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

NM OIL CONSERVATION Form C-141
ARTESIA DISTRICT Revised August 8, 2011
AUG 28 2014
Submit 1 copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAME 142 0153667 OPERATOR ☒ Initial Report ☐ Final Report

Name of Company ENERGYQUEST 305911	Contact Larry Davis
Address 4526 RESEARCH FOREST DRIVE, SUITE 200 THE WOODLANDS, TX 77381	Telephone No. 281-651-5201
Facility Name GRAYBURG JACKSON	Facility Type OIL

Surface Owner BLM	Mineral Owner	API No. 30-015-20256
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LOCATION OF RELEASE

Unit Letter	Section	Township 17S	Range 30E	Feet from the	North/South Line	Feet from the	East/West Line	County
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Latitude 32-47-11 north Longitude 104-1-37 west

32-47-34N, 104-3-39W

NATURE OF RELEASE

Type of Release OIL	Volume of Release 2 bbls	Volume Recovered 0
Source of Release DAMAGE TO FLOWLINES - THREE (3) LOCATIONS	Date and Hour of Occurrence 21-23 AUG 2014, EXACT TIME UNKNOWN	Date and Hour of Discovery 23 AUG 2014, 1500 HOURS
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? BLM via voice mail	
By Whom? GREG MCWILLIAMS, ENERGYQUEST	Date and Hour 23 AUGUST 2014, 1500 HOURS	
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.*

Describe Cause of Problem and Remedial Action Taken.*

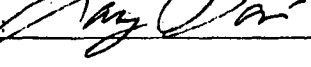

THREE (3) LOCATIONS OF DAMAGED FLOWLINES CAUSED BY VEHICLES USED BY DEAN'S ELECTRIC WHILE WORKING ON POWER LINES. FLOWLINES LOCATED ALONG THE SIDE OF THE FIELD ROAD; ONLY ONE PUMP WAS ACTIVE AT THE TIME, AND IT WAS SHUT-IN UPON DISCOVERY. SEE ATTACHED DESCRIPTION AND PHOTOS.

Describe Area Affected and Cleanup Action Taken.*

SURFACE SAND AND DAMAGED VEGETATION WERE REMOVED FROM THE RELEASE SITES VIA BACKHOE. POWER WILL NOT BE RESTORED UNTIL ALL DAMAGED FLOW LINES HAVE BEEN REPAIRED OR REPLACED AS NECESSARY.

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: 	Approved by Environmental Specialist: 	
Printed Name: LARRY DAVIS	Approval Date: 9/18/14	Expiration Date: NA
Title: ENVIRONMENTAL QUALITY MANAGER	Conditions of Approval: Remediation per OCD Rule & Guidelines.	
E-mail Address: larry.davis@energyquest.us	Attached <input type="checkbox"/>	
Date: 28 Aug 2014 Phone: 281-651-5201	SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 10/18/14	

* Attach Additional Sheets If Necessary

2RP-2492