

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

30-015-34162

Release Notification and Corrective Action

n MCB0529948706

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Gruy Petroleum Management Co. 162683	Contact	Zeno Farris
Address	P.O. Box 140907, Irving TX 75014	Telephone No.	972-401-3111
Facility Name	Estill AD Federal No. 3	Facility Type	Drilling Well

Surface Owner	Bureau of Land Management	Mineral Owner	Minerals Management Service	Lease No.	LC-065357
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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
J	19	24S	26E	1470	South	1939	East	Eddy

Latitude 321157.92N Longitude 1041947.14W

NATURE OF RELEASE

Type of Release	Brine Water	Volume of Release	300-500 bbl	Volume Recovered	0
Source of Release	Brine Water / Frac Tank	Date and Hour of Occurrence	2-3pm	Date and Hour of Discovery	930am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	10-03-05		10-03-05
By Whom?	Dorsey Rogers		BLM & NMOCD		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour	930am 10-03-05		
		If YES, Volume Impacting the Watercourse.			

RECEIVED

OCT 17 2005

OOD-AM/ESLA

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\* Brine water tank collapsed, spilling 300-500 bbl of brine water. Still determining cause of collapse. Brine tanks no longer kept on location.

Describe Area Affected and Cleanup Action Taken.\* Spill ran north by northeast 540', 12-100' wide to Chevron's Estill AD Fed 1 well pad. Set berm at end of spill. Will determine remediation plan based on State and Federal recommendations.

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>Zeno Farris</i>	OIL CONSERVATION DIVISION	
Printed Name: Zeno Farris	TIM GUM by MB	
Title: Manager, Operations Administration	Approved by District Supervisor:	<i>Mike Benavente</i>
E-mail Address: zfarris@cimarex.com	Approval Date: 10/26/05	Expiration Date: n/a
Date: 10-10-05 Phone: 972-443-6489	Conditions of Approval:	Attached <input checked="" type="checkbox"/>

\* Attach Additional Sheets If Necessary



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

Gruy Petroleum Management Co.  
PO Box 140907  
Irving TX 75014

October 26, 2005

Re: Estill AD Federal 003

J-19-24s-26e

API: 30-015-34162

The New Mexico Oil Conservation Division District II Office is in receipt of an Initial Report C-141 reporting a produced fluids release that occurred on 10/3/2005 at or near the above referenced well site.

Please submit a Corrective Action Work Plan to this office for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide.

This document may be found on the NMOCD web site: [www.emnrd.state.nm.us/ocd](http://www.emnrd.state.nm.us/ocd), under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the NMOCD must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other CoCs as applicable.

A Final Report Form C-141 is required to be submitted upon satisfactory completion of project, and must include a report of remediation actions taken with final confirmation sample analysis results attached.

Like approval by BLM required if applicable.

Please have the requested work plan in the Artesia office on or before November 23, 2005. The NMOCD District II Office must be notified 24 hours prior to commencement of remediation actions and prior to samples being obtained where analysis of such samples are to be submitted to the OCD.

**In the event that a satisfactory response is not received to this letter** further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of NMOCD rules.

If I can be of assistance in this matter, my contact information is listed below.

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

[mbratcher@state.nm.com](mailto:mbratcher@state.nm.com)

NMOCD Incident Number: nMLB0529948706