

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

Release Notification and Corrective Action

30-015-10376

NM480526550561

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: <i>Merit Energy Company</i>	Contact: <i>Mike Self</i>
Address: <i>P.O. Box 69, Loco Hills N.M., 88255</i>	Telephone No.: <i>505-677-2327</i>
Facility Name: <i>H E West # 29</i>	Facility Type: <i>Injection line</i>

Surface Owner: <i>BLM</i>	Mineral Owner: <i>BLM</i>	Lease No.: <i>LC 029426-5</i>
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LOCATION OF RELEASE

Unit Letter <i>C</i>	Section <i>9</i>	Township <i>17S</i>	Range <i>31E</i>	Feet from the <i>660</i>	North/South Line <i>North</i>	Feet from the <i>1980</i>	East/West Line <i>West</i>	County <i>Eddy</i>
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Latitude *32.854872* Longitude *103.876602*

NATURE OF RELEASE

Type of Release: <i>Produced water</i>	Volume of Release: <i>25 bbls</i>	Volume Recovered: <i>0</i>
Source of Release: <i>Injection line</i>	Date and Hour of Occurrence: <i>09-20-05 19:00</i>	Date and Hour of Discovery: <i>09-21-05 10:30</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Paul Evans, BLM</i>	
By Whom? <i>Mike Self</i>	Date and Hour: <i>09-21-05 11:00</i>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <i>N/A</i>	

If a Watercourse was Impacted, Describe Fully.*

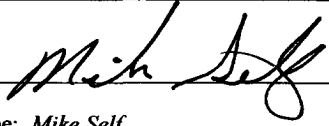

N/A

Describe Cause of Problem and Remedial Action Taken.*
Injection line failure. Delineation sampling conducted.

Describe Area Affected and Cleanup Action Taken.*

The affected area was 20' to the north of the H E West B # 29 well site. While conducting delineation sampling it was discovered the release was on top of the drilling pit for the well. Vertical sampling was stopped as to not compromise the integrity of the cap. The chlorides have moved out of the soils above the cap and appear to be bound in the clay soils of the cap.

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: <i>Mike Self</i>	Approved by District Supervisor:	TIM GUM by MB 
Title: <i>Area Foreman</i>	Approval Date: <i>4/13/06</i>	Expiration Date:
E-mail Address: <i>m.self@meritenergy.com</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>4-10-06</i> Phone: <i>505-677-2327</i>		

* Attach Additional Sheets If Necessary