

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 FEB 04 2008

Form C-141
Revised October 10, 2003

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

OCD-ARTESIA

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

241598 NSEB0803737626 Release Notification and Corrective Action

30-015-01231

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Fairway Resources Operating, LLC	Contact	Kenneth Pearce
Address	538 Silicon Drive, Ste. 101, Southlake, TX 76092	Telephone No.	817-416-1946
Facility Name	Midnight Matador "A" #4	Facility Type	Oil well

Surface Owner	US-BLM	Mineral Owner	US-BLM	Lease No.	NM LC-055561
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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
B	35	17S	27E	990'	North	1,650	East	Eddy

Latitude 32 degrees 47' 42.4"

Longitude 104 degrees 14' 44.9"

NATURE OF RELEASE

Type of Release	Oil and produced water	Volume of Release	Unknown	Volume Recovered	0
Source of Release	wellhead	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	1/16/08 8:00 a.m. MST
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
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.*

A BLM inspection indicated evidence of old leakage and soil contamination on the north side of the location. No free liquids were found, no current leakage was detected.

Describe Area Affected and Cleanup Action Taken.*

The affected area is on north the side of the location. We propose to excavate the contaminated soil that exceeds OCD limits of 500 ppm chlorides or 5,000 ppm TPH. The contaminated soil will be hauled to a nearby drilling reserve pit that is scheduled to be closed and replaced with clean top soil.

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>Kenneth Pearce</i>	OIL CONSERVATION DIVISION	
Printed Name: Kenneth Pearce	Approved by District Supervisor:	DENIED
Title: Engineer	Approval Date:	Expiration Date:
E-mail Address: kpearce@fairwayresources.com	Conditions of Approval: RESUBMIT INITIAL REPORT C-141	Attached <input type="checkbox"/>
Date: 2/1/08	Phone: 817-416-1946	REMEDIAL PLAN DUE ON OR BEFORE March 6, 2008.

* Attach Additional Sheets If Necessary

pSEB0803739564