

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  
FEB 22 2008  
OCD-ARTESIA  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

241598

Release Notification and Corrective Action

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 30-015-01231 Facility Type Oil well  
 Surface Owner US-BLM Mineral Owner US-BLM Lease No. NM LC-055561

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?  Yes  No  Not Required If YES, To Whom?  
 By Whom? Date and Hour  
 Was a Watercourse Reached?  Yes  No If YES, Volume impacting the Watercourse.

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*  
 This is a corrected initial report - A BLM inspection on 1-16-2008 found evidence of old leakage and soil contamination on the north side of the wellhead area and location. No free liquids were found, no current leakage was detected.

Describe Area Affected and Cleanup Action Taken.\*  
 The affected area is on well pad and off of the north side. No free liquids were present so no liquids were recovered. Clean-up actions have not begun. A work plan proposal is being prepared for the clean-up of contaminants and will be submitted by March 6, 2008, as per email instructions from Sherry Bonham dated 2-6-2008.

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: *Kenneth Pearce* OIL CONSERVATION DIVISION  
 Printed Name: Kenneth Pearce Approved by District Supervisor: *T Gunn by SB*  
 Title: Engineer Approval Date: *2-27-08* Expiration Date:  
 E-mail Address: kpearce@fairwayresources.com Conditions of Approval: *REMEDIATION* Attached   
 Date: 2/18/08 Phone: 817-416-1946 *Plan Due ON OR BEFORE 3-6-08*

\* Attach Additional Sheets If Necessary  
 PSEB0803739564

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