



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

30-015-29387

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Merit Energy
PO Box 69
Loco Hills NM 8255

September 21, 2005

Reference: Produced water release that occurred on or about 9/6/2005 at or near the Turner B 132 well. B-20-17-31. NMOCD incident number: nMLB0526437051.

Corrected copy C-141 received 9/16/05.

Conditions of Approval are as follows:

1. Submit a Final Report C-141 upon completion of remediation/clean-up activities.
2. Include a description of remediation actions performed.
3. Include a copy of any sample analysis performed.

Be advised the NMOCD District 2 office requires 24 hour notice prior to remediation work being performed and 24 hour notice prior to samples being obtained where analysis of such samples are to be submitted to the OCD.

Activities are subject to like approval by BLM if applicable.

Acceptance of documents and/or remediation work plans 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, acceptance does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

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

Mike Bratcher

Mike Bratcher
NMOCD District 2
1301 W Grand Ave
Artesia, NM 88210
(505) 748-1283 Ext 108
(505) 626-0857
Mike.Bratcher@state.nm.us

30-015-29387

District I
1225 N. French Dr., Suite 100, NM 87505
District II
1301 W. Grand Avenue, Apt. 101, NM 87505
District III
1000 E. Brown Road, Apt. 101, NM 87505
District IV
1225 N. French Dr., Suite 100, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1225 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

Name of Company <u>Merit Energy</u>		Contact <u>Michael Gonzalez</u>	<input type="checkbox"/> Initial Report <input checked="" type="checkbox"/> Final Report
Address		Telephone No. <u>505-422-5504</u>	
Facility Name		Facility Type	
Surface Owner <u>BLM</u>	Mineral Owner <u>BLM</u>	Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	<u>Sac 29</u>	<u>T17S</u>	<u>R31</u>	<u>EAST</u>	<u>48' FUL</u>	<u>S 2421</u>	<u>FEL</u>	

Latitude LC-0253365 Longitude

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered <u>5 Barrels of oil</u>
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery <u>10:00 pm</u>
Was Immediate Notice Given?	If YES, To Whom? <u>Sept 6th 2005</u>	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required		
By Whom? <u>Michael Gonzalez</u>	Date and Hour <u>7:00 pm</u>	
Was a Wellbore Breached?	If YES, Volume Impinging the Wellbore.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<u>N/A</u>	
If a Wellbore was Impinged, Describe Fully.		

Describe Cause of Problem and Remedial Action Taken.

Flow line leak 2 7/8 pipe bad joint of pipe Replaced 350 ft with 3" inch poly reco

Describe Area Affected and Cleanup Action Taken.

80 ft wide by 50 ft long cleaned up had Stoned Oilfield Services Vacuum Truck pick up

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMDCD 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 completion of a C-141 report by the NMDCD marked as "Final Report" does not relieve the operator of liability should their operations later be found to have caused or contributed to a release that poses a threat to ground water, surface water, human health or the environment. In addition, NMDCD completion 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: <u>Michael Gonzalez</u>	OIL CONSERVATION DIVISION THIS FORM CANNOT BE PROCESSED DUE TO LACK OF INFORMATION. PLEASE SEE HIGHLIGHTED AREA AND/OR NOTED PROBLEM.	DENIED
Printed Name: <u>Michael Gonzalez</u>		
Title: <u>Pumper</u>		
E-mail Address:		
Date: <u>Sept-6th 2005</u> Phone: <u>505-422-5504</u>		

* Attach Additional Sheets If Necessary

Information Required: Facility name (if pipeline release, associated well or facility) Volume of Release, If immediate notice was given, to whom, Date & Hour of Notification.
Please re-submit by September 27, 2005

Mike Brannan
NMDCD DIST II

30-015-29387
NMLB0526437051

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Arriba 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

Name of Company MERIT ENERGY		Contact CHARIS FLORES	
Address P.O. Box 69, LAJO HILLS, NM		Telephone No. 505 428 5506	
Facility Name TURNER B NORTH RATHER		Facility Type FLOW LINE ON OILFIELD WELL	
Surface Owner BLM	Mineral Owner BLM	Lease No. BLM	
Section 20		Township T7S	
Range R31E		North/South Line NORTH	
Feet from the 48		Feet from the 2421	
East/West Line EAST		County GRAY	

Latitude **32° 13' N** Longitude **106° 29' 39.5" W**

Type of Release PRODUCE WATER OIL	Volume of Release 7	Volume Recovered 5
Source of Release FLOW LINE LEAK	Date and Hour of Occurrence 9:00 PM	Date and Hour of Discovery 9:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? BLM / OGD	
By Whom? BLM / OGD	Date and Hour 9:00 PM	9-6-2005
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse N/A	

If a Watercourse was Impacted, Describe Fully: **N/A**

Describe Cause of Problem and Remedial Action Taken: **FLOW LINE LEAK 2 1/8 BAD JOINT OF PIPE / REPLACED 350 FEET WITH 3 inch Poly Line**

Describe Area Affected and Cleanup Action Taken: **EXT WIDE BY 50 FEET LONG CLEANED UP HAD UAC TRUCK PICK UP FLUID ABOUT 5 BARRELS**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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 [Signature]	OIL CONSERVATION DIVISION	
Printed Name CHARIS FLORES	Approved by District Supervisor: by MB [Signature]	
Title PLUMPER	Approval Date: 9/6/05	Expiration Date: N/A
E-mail Address CFLORES@MERIT-ENERGY	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 9-16-2005 Phone: 505 428 5506		

* Attach Additional Sheets if Necessary

(REWRITE ORIGINAL) FOR 9-6-2005
ADDED INFO REQUIRED INFORMATION FOR MIKE GONZALES
AREA AFFECTED APPROX 100 FEET FROM TURNER B #132 (EAST SIDE OF WELL)