

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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

AUG 05 2014

Form C-141  
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in  
**RECEIVED** accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

*NAB1421934021*

<b>OPERATOR</b>		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company <b>ENERGYQUEST II, LLC</b> <i>305911</i>	Contact <b>LARRY DAVIS</b>		
Address <b>4526 RESEARCH FOREST DRIVE., SUITE 200, THE WOODLANDS, TX 77381</b>	Telephone No. <b>281-875-6200</b>		
Facility Name <b>BEESON F FEDERAL #029</b>	Facility Type <b>OIL</b>		
Surface Owner <b>Bureau of Land Management</b>	Mineral Owner	API No. <b>30-015-31164</b>	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	31	17S	30E	330	NORTH LINE	330	EAST LINE	EDDY

Latitude 32.7973913815622 Longitude -104.003815317332

**NATURE OF RELEASE**

Type of Release <b>PRODUCED SALT WATER</b>	Volume of Release. <b>40 BBL</b>	Volume Recovered <b>0</b>
Source of Release <b>BREAK IN WATER INJECTION LINE</b>	Date and Hour of Occurrence <b>02 AUG 2014, 1530 HOURS</b>	Date and Hour of Discovery <b>03 AUG 2014, 1026 HOURS</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>JIM AMOS, BUREAU OF LAND MANAGEMENT (575) 234-5972</b>	
By Whom? <b>GREG MCWILLIAMS (806) 445-1728</b>	Date and Hour <b>03 AUG 2014, 1026 HOURS</b>	
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.\*

FAILURE OF WATER INJECTION LINE BELOW GROUND LEVEL. NO OIL OR OIL PRODUCTS WERE RELEASED. UPON DISCOVERY, FIELD WAS SHUT IN AND FLOW WAS STOPPED. DIGGING REVEALED FAILURE POINT IN FLOW LINE. ANALYSIS OF LOCATION INDICATES NO SUB-SURFACE WATER AND NO SURFACE WATERCOURSE IN VICINITY. CLEAN UP WILL REQUIRE REMOVAL AND REPLACEMENT OF IMPACTED SOILS. APPROVAL TO PROCEED WITH REPAIR AND CLEANUP GIVEN BY JIM AMOS, BLM. CLEAN UP TO BEGIN 06 AUGUST 2014.

Describe Area Affected and Cleanup Action Taken.\*

AREA IS SAND DUNES. **SEE ATTACHED PHOTOS.** WATER INJECTION LINE TO BE REPAIRED; CONTAMINATED SOIL TO BE REMOVED AND REPLACED.

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>LARRY DAVIS</b>	Approved by Environmental Specialist: 	
Title: <b>MANAGER, ENVIRONMENTAL QUALITY AND SAFETY</b>	Approval Date: <b>8/7/14</b>	Expiration Date: <b>N/A</b>
E-mail Address: <b>larry.davis@energyquest.us</b>	Conditions of Approval: <b>Remediation Per O.C.D. Rule &amp; Guidelines</b>	Attached <input type="checkbox"/>
Date: <b>05 August 2014</b> Phone: <b>281-651-5201</b>	<b>SUBMIT REMEDIATION PROPOSAL NO LATER THAN: <u>9/7/14</u></b>	

\* Attach Additional Sheets if Necessary

**2RP-2419**