

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

30-015-26024

Release Notification and Corrective Action

nMLB 0529946827

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Merit Energy (14591)	Contact	Mike Self
Address	P.O. Box 69 Lugo Hills N.M.	Telephone No.	505 706 0972
Facility Name	Grassburg-Jackson	Facility Type	Water Filled INS line
Surface Owner	BLM	Mineral Owner	BLM
		Lease No.	30-015-26024

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	10	17 S	31 E	560'	FWL	660'	FWL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produced H ₂ O	Volume of Release	12 bbl	Volume Recovered	0
Source of Release	INS line leak	Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	IF YES, To Whom?	10-14-05	10-14-05	
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.*					

N/A

Describe Cause of Problem and Remedial Action Taken.*

Teracom on site to sample and present
INS line leak. Remedial Plan.

Describe Area Affected and Cleanup Action Taken.*

60 yards East of WB 40 well-head Native Pasture. no
standing fluids to be Rec.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCOD 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 NMOCOD 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, NMOCOD 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: Mike Self	OIL CONSERVATION DIVISION NIM SOVI by MB	
Printed Name: Mike Self	Approved by District Supervisor: Mike Sanchez	
Title: Area Foreman	Approval Date: 10/26/05	Expiration Date:
E-mail Address: m.self@meritenergy.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 10-14-05 Phone: 706-0972		

* Attach Additional Sheets if Necessary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Merit Energy Corp.
PO Box 69
Loco Hills NM 88255

October 26, 2005

Re: HE West B 040

D-10-17s-31e

API: 30-015-26024

The New Mexico Oil Conservation Division District II Office is in receipt of an Initial Report C-141 reporting a produced fluids release that occurred on 10/14/2005 at or near the above referenced well site.

Please submit a Corrective Action Work Plan to this office for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide.

This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd , under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the NMOCD must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX , Chlorides or any other CoCs as applicable.

A Final Report Form C-141 is required to be submitted upon satisfactory completion of project, and must include a report of remediation actions taken with final confirmation sample analysis results attached.

Like approval by BLM required if applicable.

Please have the requested work plan in the Artesia office on or before November 23, 2005. The NMOCD District II Office must be notified 24 hours prior to commencement of remediation actions and prior to samples being obtained where analysis of such samples are to be submitted to the OCD.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of NMOCD rules.

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

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
(505) 748-1283 Ext. 108
(505) 626-0857
mbratcher@state.nm.com
NMOCD Incident Number: nMLB0529946827