

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

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
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company ENERGYQUEST II, LL	Contact LARRY DAVIS
Address 4526 RESEARCH FOREST DR., STE 200, THE WOODLANDS, TX 77381	Telephone No. 281-651-5201
Facility Name SHAHARA STATE LEASE TANK BATTERY	Facility Type TANK BATTERY

Surface Owner DARR ANGEL	Mineral Owner	API No. 30-025-340900000 (SHAHARA #9 – nearest well to Tank Battery)
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LOCATION OF RELEASE

Unit Letter F	Section 16	Township 17S	Range 33E	Feet from the 1335	North/South Line NORTH LINE	Feet from the 1335	East/West Line WEST LINE	County LEA
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Latitude 32.8382353381653 Longitude -103.672465527684

NATURE OF RELEASE

Type of Release CRUDE OIL	Volume of Release 50 BBLS	Volume Recovered 45 BBLS
Source of Release TRANSFER VALVE ON TANK KICKED OPEN BY CATTLE	Date and Hour of Occurrence 14 MAY 2015 - OVERNIGHT	Date and Hour of Discovery 15 MAY 2015 / 1000 hours
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Maxie	
By Whom? GREG MCWILLIAMS	Date and Hour 15 MAY 2015 / 1000 hours	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED
By OCD District 1 at 11:32 am, May 21, 2015

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Approximately 50 bbls crude oil were being held in Tank #17907-2 pending transfer to truck. Sometime during the evening or overnight, cattle on the property apparently kicked the transfer valve open, allowing the oil to leak out. Release was confined to a natural dip in the roadway. Approximately 45 bbls were recovered. Valves on all tanks have been secured in the closed position and handles removed to prevent another incident.

Describe Area Affected and Cleanup Action Taken.*
Area impacted is **part of the same area impacted by release on 29 December 2014**; current release contained within roadway. Contaminated surface caliche has been removed and replaced with fresh caliche. See attached photos.
Environmental consultant has been engaged to conduct remediation of previously impacted area; analysis of previous release has been completed and a plan for that remediation submitted for review and approval.

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:	OIL CONSERVATION DIVISION	
Printed Name: Larry D. Davis	Approved by Environmental Specialist:	
Title: Environmental Quality & Safety Manager	Approval Date: 05/21/2015	Expiration Date: 08/21/2015
E-mail Address: larry.davis@energyquest.us	Conditions of Approval: Site samples required. Delineate and remediate as per MNOCD guides. Geotag photographs of remediation required.	Attached <input type="checkbox"/> 305911 IRP-3645
Date: 15 MAY 2015 Phone: 281-651-5201		

* Attach Additional Sheets If Necessary

pKJ1514142721
nKJ1514142477



Roadway adjacent to tank battery after clean-up



Roadway towards well Shahara #9, moving away from tank battery.