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**

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

NOT APPROV

Form C-141 Revised August 8, 2011

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

OPERATOR Initial Report X Final Report Name of Company ARMSTRONG ENERGY CORPORATION Contact BRUCE STUBBS Address P.O. BOX 1973, ROSWELL, NM 88202 Telephone No. 575-625-2222 Facility Name GOVERNMENT "G" SWD LINE Facility Type FLOWLINE API No. Surface Owner U.S. - BLM Mineral Owner U.S. LOCATION OF RELEASE Latitude 32.62780N Longitude 103.51944W NATURE OF RELEASE Type of Release PRODUCED WATER AND OIL Volume of Release 70 BW & 2 BO Volume Recovered 15 BBLS. Source of Release SPLIT IN FLOWLINE Date and Hour of Occurrence Date and Hour of Discovery 10-12-06 PM 10-12-06 8:00 AM Was Immediate Notice Given? If YES, To Whom? Yes No Not Required By Whom? Date and Hour If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? Yes X No If a Watercourse was Impacted, Describe Fully.* N/A RECEIVED By OCD District 1 at 9:02 am, Jun 09, 2015 REPAIRED FLOWLINE. PICKED UP 15 BBLS. FLUID. THE AREA HAS BEEN TREATED WITH MICROBLAZ AND RESEEDED. ALL BUT AN 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 OUL CONGEDUATION DIVISION Phone: 575-625-2222 6-8-15

* Attach Additional Sheets If Necessary

Date:

Release Notification and Corrective Action

Unit Letter M	Section 25	Township 19S	Range 34E	Feet from the 1000	North/South Line SOUTH	Feet from the 900	East/West Line WEST	County LEA
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Describe Cause of Problem and Remedial Action Taken.*

AREA APPROXIMATELY 75' X 30' HAS RECOVERED.

Describe Area Affected and Cleanup Action Taken.* THE AREA 75' X 30' WILL BE REMEDIATED AS PER THE ATTACHED PLAN.

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: BAtteller	OIL CONSERVATION DIVISION					
Printed Name: BRUCE STUBBS	Approved by Environmental Specialist:					
Title: ENGINEER	Approval Date:	Expiration D	ate:			
E-mail Address: bastubbs@armstrongenergycorp.com	Conditions of Approval:		Attached			

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

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State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

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

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			Kele	ase Notific	ation							-
						OPERA	The second se		X Initia	I Report		Final Report
Name of Company Amistrong Energy corporation					Contact Bruce Stubbs							
Andress Horizon 1970, and a						Telephone No. 505-625-2222 Facility Type Flowline						
Facility Name	Facility Name Government "G" SWD LINE						e riowine					
Surface Own	er U.S.			Mineral C	wner	U.S.			Lease N	lo. NM-08	6	
				LOCA	TION	OF RE	LEASE A	P1#				
Unit Letter	Section	Township	Township Range Feet from the North/South Line Feet from the				Feet from the	East/West Line County West Lea				
М	25	19S	34E	1000	Sout	th	900	we	st	Lea		
10	20'	Lat	itude3	2.62780 N	L	ongitude	_103.51944 W					
IL.	<i>U</i>			NAT	URE	OF REL						
Type of Relea	se	Produce	ed Water &	k Oil		Volume of Release 70 BW, 2 BO Volume Recovered 15 Barrels						
	Source of Release Split in Flowline					Date and Hour of OccurrenceDate and Hour of Discovery10-12-06 AM10-12-06 8:00 AM						
Was Immediat	te Notice			N. D.N.		If YES, To	Whom? ry Wink, BLM -	Jim Amo	s			
D. 11/1 0.D			Yes	No 🗌 Not Ree	quired		Hour 10-12-06 9:		-			
By Whom? Br Was a Waterc							olume Impacting		rcourse.			
was a watere	ouise Rea] Yes X	No		N/A						
If a Watercour	rse was In	npacted. Desci	ribe Fully.	*								
		•	•									
N/A												
									45	6.	· · ·	
Describe Cau: Split in the bla been scrapped approximately	ack poly f l and that	lowline sprav	ed the sur	on Taken." rounding area wit for the line to fail.	h produc . Repaire	ced water and the flowlin	l a skim of oil. Sh e. Called a vacuu	nut well i ım truck a	n and insp and remov	ected flowlin ed all of the	nē. Flo standi	wline had ng fluid,
Describe Area Area will be t	a Affected treated wit	and Cleanup h Micro-blaze	Action Ta and resee	ken.* An area ap ded when a wet p	proximat period is	tely 50' x 75 predicted.	was sprayed with	h produce	ed fluids, a	taining shru	bbery a	and soil. The
regulations al public health should their o or the enviror	l operator or the envo operations oment. In	s are required vironment. Th have failed to	to report a e acceptar adequatel OCD acce	e is true and com nd/or file certain ice of a C-141 rep y investigate and ptance of a C-14	release r oort by th remedia	notifications ne NMOCD n te contamina	and perform corr narked as "Final tion that pose a the ve the operator o	ective act Report" of hreat to g	tions for re does not re round wat ibility for	eleases which elieve the op er, surface v compliance	h may erator (vater, h with a	endanger of liability uman health
	A	A	+				OIL COI	NSERV	ATION	DIVISI	UN	
Signature:	12	-1140	MA_			~	Calilia	20ErGI	20			
Drinted Name	Bruce 6	tubbe loc.	Oft. I	PA CO629	13/018	Approved b	y District Superv	isor:		0		
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	C	* pplice bs@zianet.co		P PACO 60	2913	6435 Conditions of Approval:						
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Date: 10-1 * Attach Addi	13-06 tional Sh	eets If Neces		05-625-2222			T VERTER A	· cour	APAL	<u></u>		
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K		1000	- SUDMIT CHLOREDE CONTENT DE WHER Nº CLEANUP PLAND.									





Superior Federal Lease Sec. 25-T19S-R34E Lea County, New Mexico Government "G" SWD Line Leak Incident No.: nPAC0629136301

A flowline leak occurred on 10-12-06 releasing 70 BW and 2 BO. On inspection on 5-29-15 showed that the vegetation has recovered except for areas that are crusted with weathered oil. Analysis indicates Chloride at 80-96 mg/kg, GRO C6-C10 <50 and DRO C10-C28 113-703. The following procedure is to be used on the remaining "crusted areas" that are not supporting vegetation.

- 1. Broadcast granular fertilizer at the rate of 50 lbs./1000 ft^2 of 13-13-13 fertilizer or equivalent.
- 2. Till in fertilizer and breakup crust to a depth of 6" to 12".
- 3. Reseed with BLM seed mixture #2 at the rate of .25 lbs./1000 ft². Drill or rake to cover seeds. Apply before July 1, 2015.
- 4. AT 30-60-90 day periods apply fertilizer at the rate of 5 lbs./1000 ft² of 13-13-13 fertilizer or equivalent.
- 5. Monitor progress and reevaluate in the spring of 2016.