

**Internal Incident Report – Spill/Release – Reportable Release****Location: Lusk 34 Federal 1H****Production Area: Hobbs****HOBBS OCD****District: Eunice****NOV 05 2012****Date: 11/3/12****RECEIVED****Time: 06:30****One Line Summary: Brine overflowed from the Q Max unit.**

Full summary: Q Max electrical system went down on the unit, causing the unit to be unable to transfer fluid from the unit to the pit system and over flowed. The Q Max employee was unaware of this until he was notified by the crew. This incident released approximately 40bbls of brine water before the Q Max unit was bypassed. No fluid was recovered. The affected area on location is 120' x 40'. The area affected off location is 25' x 15'.

Root cause of incident:

1. Inattentive lack of awareness to current operations. Improper training on how to handle the situation. Improper communication of equipment performance.

Corrective Actions:

1. Be alert and aware of the performance of all equipment, notify someone to help control your operation if you are experiencing equipment malfunctions.
2. Communicate with others about corrective actions to take, in order to reduce the possibility of an incident occurring.

Reported by: John Swain

Location Directions: From Hobbs drive West on 62/180 33.3 miles to the intersection of Hwys 176 and 243. Turn right onto Hwy 243 and drive North and curve back West 4.3 miles. Turn right on Co Rd 126 and drive North 3.7 miles. Turn right on caliche rd and go East 1 mile. Turn right and go 1.2 miles South then East. Turn left and go North .2 miles to location.

