

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

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Phoenix Hydrocarbons Operating Corp	Contact	Alan Standfer
Address	P O Box 3638, Midland, TX 79702	Telephone No.	432-557-8722
Facility Name	Langlie Jal-Unit #55	Facility Type	WIW Flowline

Surface Owner	Clara Jane Miller	Mineral Owner	Federal	Lease No.	30-025-114760000
---------------	-------------------	---------------	---------	-----------	------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	6	25S	37E	2310'	South	1650'	East	Lea County NM

Latitude 32°09'30.5N Longitude 103°11'54.9W

NATURE OF RELEASE

Type of Release	prod wtr	Volume of Release	25 bbls	Volume Recovered	0
Source of Release	pinhole leak in flowline	Date and Hour of Occurrence	AM	Date and Hour of Discovery	10/18/07 am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Pat Richards, left message at Hobbs office		
By Whom?	Phyllis R. Gunter	Date and Hour	10/18/07 11:00 am		
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.*

Injection line leak, the injection line was dug up and the joint where the pinhole leak was has been replaced.

** NEED CHLORIDE CONTENT OF WTR SPILLED.*

Describe Area Affected and Cleanup Action Taken.* The affected area is rocky terrain with little vegetation. The leak was contained within the lease perimeter. The contaminated rock and soil will be picked up by backhoe and replaced with fresh rock and soil.

** CONTAMINATED SOIL TO OCD APPROVED DISPOSAL TICKETS REQ.
* SPILL AREA REQUIRES HORIZONTAL & VERTICAL TESTING FOR CHLORIDES*

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: <i>Phyllis R. Gunter</i>	OIL CONSERVATION DIVISION <i>John</i> ENVIRONMENTAL ENGINEER	
Printed Name: Phyllis R. Gunter	Approved by District Supervisor:	
Title: Agent	Approval Date: <u>10.26.07</u>	Expiration Date: <u>12.31.07</u>
E-mail Address: <u>phygun@aol.com</u>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>10/18/07</u> Phone: <u>432-686-9869</u>	<i>* ABOVE</i>	

* Attach Additional Sheets If Necessary

RP#1627