

RECEIVED

January 31, 2011

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

FEB 01 2011
HOBBSUCD

RE: QUAIL STATE '16' #2

Enclosed are the results of analyses for samples received by the laboratory on 01/28/11 11:53.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene
Lab Director/Quality ManagerApproved for backfill
Steve Lakin
ENV. ENGR.
NMOC - HOBBS
02/01/2011

Analytical Results For:

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

Received:	01/28/2011	Sampling Date:	01/28/2011
Reported:	01/31/2011	Sampling Type:	Soil
Project Name:	QUAIL STATE '16' #2	Sampling Condition:	Cool & Intact
Project Number:	701014.022.01	Sample Received By:	Jodi Henson
Project Location:	SEC. 16 T 20S.R34 E		

Sample ID: 001 DRILLING PIT COMPOSITE (H100202-01)

BTEX 80218		mg/kg		Analyzed By: CMS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/31/2011	ND	2.18	109	2.00	15.3	
Toluene*	<0.050	0.050	01/31/2011	ND	2.16	108	2.00	14.0	
Ethylbenzene*	<0.050	0.050	01/31/2011	ND	2.17	108	2.00	11.6	
Total Xylenes*	<0.150	0.150	01/31/2011	ND	6.38	106	6.00	10.2	

Surrogate: 4-Bromofluorobenzene (PIL) 98.3 % 70-130

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	400	16.0	01/28/2011	ND	416	104	400	3.77	

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	01/28/2011	ND	1420	119	1190	0.702	

TPH 8015M		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	01/31/2011	ND	236	94.4	250	0.298	
DRO >C10-C28	<10.0	10.0	01/31/2011	ND	211	84.4	250	2.46	

Surrogate: 1-Chlorooctane 92.3 % 70-130

Surrogate: 1-Chlorooctadecane 94.0 % 70-130

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager

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

RECEIVED

JAN 28 2011

Form C-141
Revised October 10, 2003

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

HOBBSOCD

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	Southern Union Gas Services	Contact	Curt Stanley
Address	1507 W. 15 th Street, Monahans, TX 79756	Telephone No.	575-390-7595
Facility Name	Pipeline #101	Facility Type	Natural Gas Pipeline

Surface Owner	Crawford	Mineral Owner		Lease No.	30-025-38822
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LOCATION OF RELEASE

Unit Letter "P"	Section 20	Township 24S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude N 32 degrees 11.749' **Longitude** W 103 degrees 10.788'

NATURE OF RELEASE

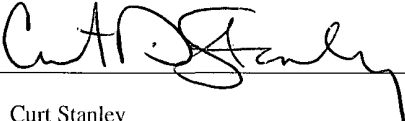
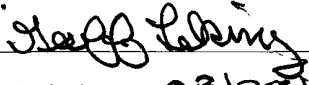
Type of Release	Crude Oil, Produced Water and Natural Gas	Volume of Release	7 BBLS	Volume Recovered	4 BBLS
Source of Release	16-Inch Steel Pipeline	Date and Hour of Occurrence	January 25, 2011 - Time Unknown	Date and Hour of Discovery	January 25, 2011 - approximately 1200 hrs
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Curt Stanley	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.*

Describe Cause of Problem and Remedial Action Taken.*
A sixteen (16) inch diameter low pressure steel pipeline developed a leak, most likely due to internal corrosion. A vacuum truck was called to recover free standing fluids from the ground surface. Following the excavation of the pipeline, a temporary pipeline clamp was utilized to mitigate the release. Following the initial response activities, the excavation was backfilled due the proximity of the release to a county road. Permanent pipeline repairs will be made.

Describe Area Affected and Cleanup Action Taken.*
The release affected an area measuring approximately 1,700 square feet. The release will be remediated per NMOCD regulatory guidelines following the completion of permanent pipeline repair activities.

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: Curt Stanley	Approved by: <u>ENV. ENGINEER:</u>  District Supervisor:	
Title: EHS Compliance Specialist	Approval Date: 01/28/11	Expiration Date: 03/28/11
E-mail Address: curt.stanley@sug.com	Conditions of Approval: SUBMIT FINAL C-141 BY	Attached <input type="checkbox"/> APP-01-11-2677
Date: 1/27/2011	Phone: 575-390-7595	

* Attach Additional Sheets If Necessary

