

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: Nadel & Gussman Permian, LLC            | Contact: Jeff Duke      |
| Address: 601 N. Marienfeld, Suite 508, Midland, TX 79701 | Telephone: 575-513-3301 |
| Facility Name: Carrington State No. 7                    | Facility Type: Oil Well |
| API NO. : 30-015-39250                                   |                         |

|                                    |                                    |            |
|------------------------------------|------------------------------------|------------|
| Surface Owner: State of New Mexico | Mineral Owner: State of New Mexico | Lease No.: |
|------------------------------------|------------------------------------|------------|

**LOCATION OF RELEASE**

|                  |               |                 |              |                        |                       |                        |                     |                       |
|------------------|---------------|-----------------|--------------|------------------------|-----------------------|------------------------|---------------------|-----------------------|
| Unit Letter<br>K | Section<br>12 | Township<br>17S | Range<br>28E | Feet from the<br>1650' | North/South Line<br>S | Feet from the<br>2310' | East/West Line<br>W | County<br>Eddy County |
|------------------|---------------|-----------------|--------------|------------------------|-----------------------|------------------------|---------------------|-----------------------|

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

**NATURE OF RELEASE**

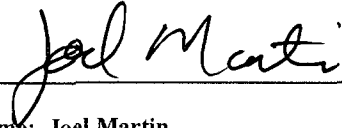
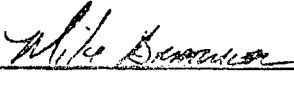

|  |   |   |
|--|---|---|
| Type of Release: Oil and produced water.   | Volume of Release:<br>Approx. 60 bbls                       | Volume Recovered:<br>Approx. 40 bbls                    |
| Source of Release: Vent line on Heater Treater   | Date and Hour of Occurrence<br>Jan. 17, 2012 Hour - Unknown | Date and Hour of Discovery<br>Jan. 17, 2012 - Not noted |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>Laura Juarez                            |   |
| By Whom? Zac Hernandez   | Date and Hour: Jan. 17, 2012 Hour - Not noted               |   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse.<br>NA             |   |

|   |  |
|---|--|
| If a Watercourse was Impacted, Describe Fully.*<br>NA | <b>NM OIL CONSERVATION</b><br>ARTESIA DISTRICT |
|---|--|

|  |   |
|--|---|
| Describe Cause of Problem and Remedial Action Taken.*<br>Refer to Initial C-141 attached to this report. | <b>JAN 20 2015</b><br><br><b>RECEIVED</b> |
|--|---|

|   |
|---|
| Describe Area Affected and Cleanup Action Taken.*<br>Contaminated material was excavated and removed from location to disposal facility. Samples were taken during follow-up and infield inspection which are attached to this report. NE area no longer showed evidence of discharge event. NMOCD was contacted to obtain permission for closure of the open areas and backfill with clean caliche. Approximately 15 yards of material was replaced. |
|---|

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:  | <b>OIL CONSERVATION DIVISION</b>   |                                   |
| Printed Name: Joel Martin  | Approved by District Supervisor:  |                                   |
| Title: Operations Manager  | Approval Date: 2/6/15  | Expiration Date: N/A              |
| E-mail Address: jmartin@naguss.com   | Conditions of Approval: N/A  | Attached <input type="checkbox"/> |
| Date: December 22, 2014 Phone: 432-682-4429  |                                   |                                   |

\* Attach Additional Sheets If Necessary

2RP-1050