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

1302341241

Address: 2700 Post Oak Blvd. Ste. 1000 Houston, TX 77056

Township

Range

Name of Company: Tandem Energy Corp.

Facility Name: Gulf State Lease #B-1969

Surface Owner: State of New Mexico

Section

Unit Letter

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division

OPERATOR

1220 South St. Francis Dr. Santa Fe, NM 87505

Mineral Owner: State of New Mexico

LOCATION OF RELEASE

North/South Line

36183

Feet from the

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC. Release Notification and Corrective Action | Initial Report Final Report Contact: Ernie Sanchez Telephone No. 575-703-6865 Facility Type: Oil and Gas Battery API No. *30.015.01496 Feet from the East/West Line County: Eddy

Form C-141

Revised August 8, 2011

28 17-S 28E Latitude 32.82764700 Longitude 104.16518500 NATURE OF RELEASE Type of Release: Oil and Produced Water Volume of Release: 50 bbl Oil Volume Recovered: 30 bbl Oil 10 bbl Water 5 bbl Water Source of Release: Water leg plugged up, and overflowed water storage Date and Hour of Occurrence: Date and Hour of Discovery: 1-15-13 1-14-13 1400 hrs If YES, To Whom? Was Immediate Notice Given? Yes No Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes 🔀 No RECEIVED If a Watercourse was Impacted, Describe Fully.* JAN **17** 2013 NMOCD ARTESIA Describe Cause of Problem and Remedial Action Taken.* Well had been down for two months allowing water leg to plug up. When put in production plugged water leg sent oil to water storage tank causing tank to overflow. Will excavate impacted area and dispose of at R-360. Describe Area Affected and Cleanup Action Taken.* Affected area is approximately 938' X 4' of grassy pasture land. Vacuum truck was used to recover approximately 35 bbls of fluid. 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. OIL CONSERVATION DIVISION Signature: Approved by Environmental Specialist: Printed Name: Signed By Approval Date **23** 2013 **Expiration Date:** Conditions of Approval: **tached [Remediation per OCD Rule & Phone: 575- 203-6865 **Guidelines. SUBMIT REMEDIATION** Attach Additional Sheets If Necessary PROPOSAL NO LATER THAN: