

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

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

MAY 30 2013

Form C-141
Revised August 8, 2011

Submit Capstone report to appropriate District Office in
accordance with 19.15.29 NMAC.

NMOC D ARTESIA

Release Notification and Corrective Action

DJMW 1315528465

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Capstone Natural Resources 289372 Contact Clint Brian or Darren Seglem
Address 2250 E. 73rd St. Ste 500, Tulsa, OK 74136-6834 Telephone No. 918-236-3800 or 432-664-5477
Facility Name Lea "C" Battery Facility Type The small Heater/Tester (The API # is for the Lea C #4)

Surface Owner BLM Mineral Owner BLM API No. 30-015-05132

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	11	17S	31E	2600'	North	2600'	East	Eddy

Latitude 32.847983 Longitude -103.839711

NATURE OF RELEASE

Type of Release Spill	Volume of Release 5-10 BBL	Volume Recovered 5-10 BBL
Source of Release The Small Heater Treater/Tester	Date and Hour of Occurrence 5-29-13 @ +/- 13:00	Date and Hour of Discovery 5-29-13 @ +/-14:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? BLM, They discovered it.	
By Whom? BLM noticed leak and informed pumper Arnold	Date and Hour 5-29-13 @ +/- 14:00	
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.*

Leak on the Heater Treater water leg. Produced fluids were diverted into another Heater Treater. The water leg will be repaired.

Describe Area Affected and Cleanup Action Taken.*

The dike around the Heater Treater filled up and approximately 3 BBLS spilled over the Dike. The fluid inside the Dike was recovered. The affected soil outside the dike and inside the Dike will be remediated by a third party.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 NMOC D 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, NMOC D 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:

Clint Brian

Printed Name: Clint Brian

Title: V.P. Operations

E-mail Address: CBrian@Capstonenr.com

Date: 30 May 2013

Phone: 918-236-3800

OIL CONSERVATION DIVISION

Approved by Environmental Specialist:

Signed By

Mike Brannon

MAY 30 2013

Approval Date:

Expiration Date:

Conditions of Approval:

Remediation per OCD Rule &
Guidelines. SUBMIT REMEDIATION

PROPOSAL NO LATER THAN:

June 30, 2013

Attached ☐

2RP-1670

* Attach Additional Sheets If Necessary