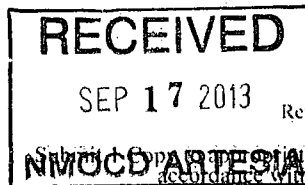


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



Form C-141  
Revised August 8, 2011

Release Notification and Corrective Action

**Operator** ☒ Initial Report ☐ Final Report

**Name of Company** BOAZ Energy, LLC **291993** **Contact** Joel Hale **Joel Hale**  
**Address** 2608 Loma, Midland TX, 79705 **Telephone No.** 432-253-7074 **432-253-7074**  
**Facility Name** Federal KLM **Facility Type** Tank Battery **T.Btry**

**Surface Owner** Federal KLM **Mineral Owner** **API No.** 30-015-0441

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
31	17S	30E						Eddy

Latitude Longitude

NATURE OF RELEASE

Type of Release: Oil Spill	Volume of Release: 10 barrels	Volume Recovered: 6 barrels
Source of Release: Equipment Failure	Date and Hour of Occurrence: July 27, 2013 - Unknown	Date and Hour of Discovery: July 27, 2013 - 10AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	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.\*

Circulation line between separator and production tanks developed hole.  
Circulation pump has been placed in containment and line has been replaced.  
PCC has been installed on loading lines at production tanks.

Describe Area Affected and Cleanup Action Taken.\*

Areas inside firewall around separator and ground area around circulation pump and down hillside to county road 217.  
Standing fluids within firewall were vacuumed and Microblaze was sprayed on oil on ground outside firewall.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 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 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: Joel Hale	Approved by Environmental Specialist:	Signed By:	
Title: Engineer	Approval Date: SEP 20 2013	Expiration Date:	
E-mail Address: joelmhale@gmail.com	Conditions of Approval: Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION	Attached <input type="checkbox"/>	
Date: 9/13/13	Phone: 432-253-7074		

\* Attach Additional Sheets If Necessary

PROPOSAL NO LATER THAN:

October 20, 2013

2RP-1922