16/5 N. French Dr., Hobos, NM 88240 Energy Mine District II Energy Mine 1301 W. Grand Avenue, Artesia, NM 88210 Oil Co District III Oil Co 1000 Rio Brazos Road, Aztec, NM 87410 1220 S District IV 1220 S 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa	a Fe, NM 87505 tion and Corrective A OPERATOR Contact M, A, Sirg Telephone No. 432/685 Facility Type Produce	ction M Initia o, III -0878 r well: well	Il Report			
LOCATION OF RELEASE						
Unit LetterSectionTownshipRangeFeet from theIB3216S31E330	North/South LineFeet from thenorth2310	East/West Line east	County Eddy			
LatitudeLongitude NATURE OF RELEASE						
Type of Release Oil Source of Release Stuffing box leak Was Immediate Notice Given? Immediate Notice Given? Immediate Notice Given? Immediate Notice Given?	Volume of Release Date and Hour of Occurrence If YES, To Whom?	Volume R Date and F	ecovered Hour of Discovery			
By Whom? Was a Watercourse Reached?	Date and Hour If YES, Volume Impacting	the Watercourse.	·			
If a Watercourse was Impacted, Describe Fully.*						
Describe Cause of Problem and Remedial Action Taken.* Leaking stuffing box, Repair stuffing box, Describe Area Affected and Cleanup Action Taken.* Remove oil and contaminated soil. Take to disposal. Replace affected area with clean dirt.						
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: M. A. Sirgo, III	Approved by District Supervisor: Demport					
Title: Engineer	Approval Date: DEC	Approval Date: DEC 2007Expiration Date:				
E-mail Address: mastres@aol.com Date:December 5, 2007 432/685-0878	Conditions of Approval:		Attached X			

.

.

* Attach Additional Sheets If Necessary

Guye, Gerry, EMNRD

From:	Guye, Gerry, EMNRD	
Sent:	Friday, December 07, 2007 9:03 AM	
То:	'mastres@aol.com'	
Subject:	Release on North Square Lake Unit #106	7

This office is in receipt of your C-141 on the oil, at this facility.

The inspection revealed some historical spill in addition to the recent release. The quantities indicated more than 5 bbls had been allowed to release, which was not indicated on your C-141, this requires notification to the Division, and Remediation. In addition to hauling and disposal of the contaminated soil a complete delineation of the area, with samples, must be accomplished.

NMOCD Rule 19.15.3.116 states in part...."The responsible person must complete **division approved corrective action** for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

Information and tools for proper corrective action may be found in the Environmental Handbook on our web site <u>www.emnrd.state.nm.us/ocd</u> under the heading publications.

Remediation requirements may be subject to other federal, state and local laws or regulations.

Within 30 days, **on or before January 7, 2008**, completion of a remediation work plan should be finalized and submitted to the Division, summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release, for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further service or if you have any questions please feel free to contact me.

Gony Guye

ł

Compliance Officer NMOCD - Artesia Office (505)748-1283x105 Mobile (505)626-0843 E-Mail: gerry.guye@state.nm.us