

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

Attach Additional Sheets If Necessary

SEB 0827656887

State of New Mexico **Energy Minerals and Natural Resources**

Oil Conservation Division

1220 South St. Francis Dr.

SEP 19 2008 Submit 2 Copies to appropriate District Office in accordance

Revised October 10, 2003

OCD-ARTESIA

with Rule 116 on back

Form C-141

1220 S St Francis Dr., Santa Fe, NM 87505 side of form Santa Fe, NM 87505 **Release Notification and Corrective Action** i SEB0827656833 **OPERATOR** Initial Report Final Report nsep082745663 Tandem Energy Corporation Contact Brandi Barthels Name of Company P.O. Box 1559, Midland, TX 79702 Telephone No. 361-935-9377 Address Facility Name Ballard Grayburg San Andres Unit 5-14 Facility Type 014 Surface Owner Mineral Owner Lease No. 14 30015 22683 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County 29E 990 8 18**S** South 1310 East Eddy Latitude32.757156 Longitude104.092037 NATURE OF RELEASE Type of Release Saltwater Volume of Release 15bbls Volume Recovered Source of Release Flowline leak Date and Hour of Occurrence Date and Hour of Discovery 08/27/08 @ 1:00 p.m. Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* Flowline leak at the injection well causing 15 bbls of saltwater to be released. None recovered. The remedial action plan will be developed and executed for the site after soil sampling is conducted. Describe Area Affected and Cleanup Action Taken.* The affected is area is approximately 3' x 90'. Flowline leaked approximately 600' NW of the well. The remediation plan will be developed and executed based on the soil analysis results. 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: Remediation Actions to be completed and Final C-141 submitted with confirmation Approved by District Supervisor: analyses/documentation on or before the Printed Name: Brandi Barthels Expiration Date Approval Date: 10-2-08 Title: Regulatory and Environmental Affairs Manager Expiration Date: E-mail Address: bbarthels@platenergy.com Conditions of Approval: Attached [Within 30 days, on or before 11-8-08. comple a remediation work plan based on delineation should be , completion of 09/08/2008 Phone: 361.935.9377

finalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to initigate

environmental damage