District 1 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 1220 S. St. Francis Dr., Santa Fe, NM 87505

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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 October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action												
		7-264			OPERA				al Report	\boxtimes	Final Report	
Name of Co Address:	ompany:	Energ 2010			Contact:Kellie CampbellTelephone No.505-324-4152							
Facility Na	ne:	Сагга			Facility Type: On shore gas well							
Surface Ow	ner: Feder		: Federal Lease No. NM68762									
LOCATION OF RELEASE												
Unit Letter K	Section 2	Township 31N	Range 5W	Feet from the 2405		South Line	Feet from the 1880	East/V FWL	Vest Line	County Rio Arriba		
Latitude36.92774Longitude107.33368												
NATURE OF RELEASE												
Type of Release: Spill of Produced water Source of Release: Tank over flow										Recovered approx. 18-19 bbls Hour of Discovery 10-8-09		
						10-8-2009 @1230						
Was Immediate Notice Given?												
By Whom?		Date and Hour										
Was a Watercourse Reached?						If YES, Volume Impacting the Watercourse.						
If a Watercourse was Impacted, Describe Fully.*										RCVDN	043	
ΝΑ										OIL COP DIS	5.5	Transformer a
Describe Cause of Problem and Remedial Action Taken.* Lease operator discovered during routine inspections of well locations that the tank on location was over flowing. Tank mechanics were repaired immediately and a vacuum truck employed to remove free liquids.												
Describe Area Affected and Cleanup Action Taken.* Produced water was vacuumed up with a vacuum truck and hauled to a disposal facility. Impacted secondary containment area was sampled to ensure no remedial efforts were required. Results are attached to report.												
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 daws and/or regulations.												
	K		OIL CONSERVATION DIVISION									
Signature	Ylla		Approved by District Supervisor: But Full For CP									
Printed Name	Kellie J	ampbell	-		/				h. Ku	<u>u</u>		
Title: Environmental/Safety Coordinator						Approval Date: 11/9/09 Expiration				Date:		
E-mail Address: kellie.campbell@energen.com					(Conditions of Approval:			Attached	Attached 🔲		
Date: 10-19-2009 Phone: 505-324-4152												

* Attach Additional Sheets If Necessary

Incident # NRMD 0931630847