

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  
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 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**

API 30-045-32594

**OPERATOR**

Initial Report

Final Report

Name of Company Koch Exploration Company, LLC	Contact Don Johnson or John Clark
Address PO Box 489, Aztec, NM 87410	Telephone No. 505-334-9111
Facility Name Seymour 720S	Facility Type Natural Gas Well

Surface Owner Mario Ulibarri	Mineral Owner BLM	Lease No. NM-03601
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**LOCATION OF RELEASE**

Unit Letter I	Section 23	Township 31N	Range 9W	Feet from the 2160	North/South Line South	Feet from the 890	East/West Line East	County San Juan
								RCVD MAR2007

Latitude 36.52.9297 Longitude 107.44.6096

OIL CONS. DIV.  
DIST. 3

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release ~ 10 BBLS	Volume Recovered ~ 6 BBLS
Source of Release Leaking valve @ wellhead	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 2/28/07 ~ 9:00 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD, Henry Villanueva	
By Whom? Don Johnson	Date and Hour 2/28/07 10:55 am	
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.\*

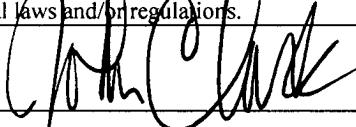
Describe Cause of Problem and Remedial Action Taken.\*

Valve located just above wellhead cellar cover had been kicked open accidentally. The valve was closed and plug installed.

Describe Area Affected and Cleanup Action Taken.\*

Approximately 10 BBLS of produced water leaked onto surrounding ground. All of the spill was contained on well pad. Called vacuum truck to remove as much water as possible. Approximately 6 BBLS were recovered.

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.

	<b>OIL CONSERVATION DIVISION</b>	
Signature:	Approved by District Supervisor:  For: Charlie Perrin	
Printed Name: John Clark	Approval Date: 3-2-07	Expiration Date:
Title: District Superintendent	Conditions of Approval:	Attached <input type="checkbox"/>
E-mail Address: clark23j@kochind.com		
Date: 3/1/07 Phone: 505-334-9111		

\* Attach Additional Sheets If Necessary

NPBP0711048444