

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		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> 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

LOCATION OF RELEASE

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

Latitude 36.52.9297 Longitude 107.44.6096

RCVD MAR 2 2007
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.*

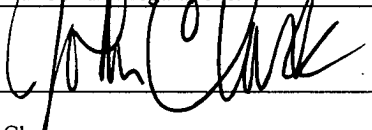

Describe Cause of Problem and Remedial Action Taken.*

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.

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

* Attach Additional Sheets If Necessary

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