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

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

Revised October 10, 2003

Form C-141

side of form

Release Notification and Corrective Action 30 - 045 - 29205 Name of Company BP America **OPERATOR** Final Report Initial Report Contact Kevin Hansford Address 200 Energy Court Telephone No. (505) 326-9279 Facility Name Florance H #037R Facility Type Fruitland Coal Well Surface Owner Federal Mineral Owner Lease No. NMNM09717 LOCATION OF RELEASE Unit Letter Township Feet from the South Line Feet from the East Line Section Range County 0 6 30N 08W 465 1660 San Juan Latitude Longitude NATURE OF RELEASE Type of Release: Produced Water Volume of Release 7 Volume Recovered 0 Source of Release: Below Grade Tank Date and Hour of Occurrence: Date and Hour of Discovery 7/8/06 Evening 7/9/06 9:43 AM Was Immediate Notice Given? If YES, To Whom? **Brandon Powell** By Whom? Don Brooks Date and Hour: 7/10/2006 3:40 PM If YES, Volume Impacting the Watercourses Was a Watercourse Reached? ⊠ Yes □ No 7 barrels dilute with heavy rain water. If a Watercourse was Impacted, Describe Fully.* Fruitland Coal water is low TDS and Chlorides, and given the amount of dilution due to flooding, impact is negligible Describe Cause of Problem and Remedial Action Taken.* Field tech received a high pit alarm and traveled to location to confirm a dwarf discovered that a flashflood from a significant rain event had breached secondary containment and over filled a below grade steel tank inside the secondary containment. The release was 7 barrels of Fruitland Coal water, which left location diluted with the large amount of rain water. We are looking at the recent construction of the main Pump Mesa Road to determine if newly installed culverts are directing water to our location. We will evaluate moving our below grade tank, or installing an above ground tank or a stronger water diversion around our below grade tank. Describe Area Affected and Cleanup Action Taken.* Entire area was surveyed for any sign of damage, however due to flash flood, no clean up is practical. 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: 1000 Approved by District Supervisor: Printed Name: Kevin Hansford

Title: Field Environmental Coordinator

E-mail Address: hanske@bp.com

Date: 7/20/06

Expiration Date:

Attached

Approval Date: 7/24/04

Conditions of Approval:

Phone: 505-326-9279

^{*} Attach Additional Sheets If Necessary