

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

RECEIVED

By JKeyes at 7:27 am, Mar 24, 2016

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Cross Border Resources	Contact: Ross Pearson
Address: 14282 Gillis Rd., Farmers Branch, TX, 14282	Telephone No. 469-995-0425
Facility Name: Tom 36 State Battery	Facility Type: Tank Battery

Surface Owner: State Land of N.M.	Mineral Owner: State Land of N.M.	API No. 30-005-20687
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LOCATION OF RELEASE

Unit Letter H	Section 36	Township 7-S	Range 31-E	Feet from the 1980'	North/South Line North	Feet from the 660'	East/West Line East	County Chaves
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Latitude 33°39'54" Longitude 103°43'12"

NATURE OF RELEASE

Type of Release: Oil and Produced Water	Volume of Release: 160 Bbls	Volume Recovered: None
Source of Release: Load lines	Date and Hour of Occurrence 3/18/2016, Unknown	Date and Hour of Discovery 3/19/2016 10:00 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Baldo Vasquez, Chaves County Sheriff Kellie Jones, NMOCD, Harley Davis BLM	
By Whom? Joseph Urban, Ross Pearson	Date and Hour 3/19/2016, 11:00 am Sheriff. And 3/20/2016, 2:24 pm	
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.*

Vandals opened the load line valves on the oil and water tanks. Allowed the entire contents to be drained on location. Not sure on the exact time of release occurred. Fluids had soaked into the ground. Contacted sheriff first to establish a case for the criminal activity.

Describe Area Affected and Cleanup Action Taken.*

Approximately 80 bbls of oil and 80 bbls of produced water was released from the load lines. The spill area was 40' by 80' west of the tank battery. Once the spill cleared the location, it turned south and proceeded 300' by 2' slight ravine. Plans are to take samples of the spill area.

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: <u>Ross Pearson</u>		OIL CONSERVATION DIVISION	
Printed Name: <u>Ross Pearson</u>		Approved by Environmental Specialist: <u>Jam Keyes</u>	
Title: <u>V.P. Operations</u>		Approval Date: <u>03/24/2016</u>	Expiration Date: <u>05/24/2016</u>
E-mail Address: <u>ross@redmountainresources.com</u>		Conditions of Approval: <u>Discrete site samples only. Delineate and remediate per NMOCD guidelines. Ensure SLO concurrence/</u>	
Date: <u>3/22/16</u> Phone: <u>469-995-0425</u>		Attached <input type="checkbox"/> <u>1RP 4221</u>	

* Attach Additional Sheets If Necessary

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pJXK1608426703