

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 8:56 am, Jul 05, 2016

Revised August 8, 2011

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

## Release Notification and Corrective Action

Accepted as initial only.

### OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	Foundation Energy Management, LLC	Contact	Kimberly Estep
Address	16000 Dallas Parkway Suite 875 Dallas, TX 75248	Telephone No.	(918)526-5595
Facility Name	Tahoe WA State #3	Facility Type	Oil Well
Surface Owner	State of New Mexico	Mineral Owner	State of New Mexico
		API No.	30-025-30484

### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	11	14S	33E	990	North	1980	East	Lea

Latitude 33.1236191 Longitude -103.5829086

### NATURE OF RELEASE

Type of Release	Minor Release	Volume of Release	7bbls	Volume Recovered	7bbls
Source of Release	Well head leak	Date and Hour of Occurrence	6/20/2016	Date and Hour of Discovery	6/20/2016
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	12:30pm CST		
By Whom?	Not required, minor release				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour			
		If YES, Volume Impacting the Watercourse.			
		No Water source was reached or impacted			

If a Watercourse was Impacted, Describe Fully.\*

No Water source was reached or impacted


Describe Cause of Problem and Remedial Action Taken.\*

On the afternoon of June 19, 2016 Operations increased back pressure from 125# to 175# to improve downhole pump operation. The stuffing box rubbers were burned up as a result. The packing was re-greased and operating correctly. The pumper arrived on location on June 20, 2016 and found 7bbls of fluid on the ground around the wellhead. 3 barrels were oil and the other 4 barrels were water. A Vacuum truck picked up the fluid, and the contaminated soil was removed to be used as berm Material

Describe Area Affected and Cleanup Action Taken.\*

The area affected was a 40'x 10' area. A vacuum truck picked up the fluid on the ground and the contaminated soil was removed with a backhoe to be used as berm material. The packing was replaced and the stuffing box was re-greased.

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:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Kimberly Estep		Approved by Environmental Specialist: 	
Title: HSE Regulatory Assistant	Approval Date: 07/05/2016	Expiration Date: 09/05/2016	
E-mail Address: regulatory@foundationenergy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 6/30/2016	Phone: (918)526-5595	Discrete samples only. Delineate and remediate per NMOCD guidelines.	1RP 4333

\* Attach Additional Sheets If Necessary

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