

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

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|--|---------------|--------------------|
| Name of Company | Seely Oil Company | Contact | David L. Henderson |
| Address | 815 W. 10 th St., Ft. Worth, TX 76102 | Telephone No. | 817-332-1377 |
| Facility Name | Central EK Queen Unit | Facility Type | Well #11-1 |

| | | | | |
|---------------|-------|---------------|-------|-----------|
| Surface Owner | State | Mineral Owner | State | Lease No. |
|---------------|-------|---------------|-------|-----------|

LOCATION OF RELEASE API# 30025023280000

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| D | 17 | 18S | 34E | 660' | North | 660' | West | Lea |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-------------------|----------------------------|-------------------|
| Type of Release | Salt water | Volume of Release | 10 bbls | Volume Recovered | 4 bbls |
| Source of Release | Wellhead leak | Date and Hour of Occurrence | unknown | Date and Hour of Discovery | 8/22/06 8:30 a.m. |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | E. L. Gomez | | |
| By Whom? | Mike Frazier | Date and Hour | 8/22/06 9:00 a.m. | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | | | |

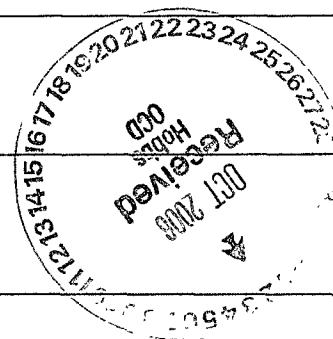
If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A check valve on the wellhead split. The check valve was replaced.

Describe Area Affected and Cleanup Action Taken.*

An area approximately 10' x 30' was affected. The affected soil was removed and clean caliche was installed.



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: <i>David L. Henderson</i> | OIL CONSERVATION DIVISION | |
| Printed Name: David L. Henderson | Approved by District Supervisor: <i>[Signature]</i> | |
| Title: Executive Vice President | Approval Date: 6-27-07 | Expiration Date: 8-30-07 |
| E-mail Address: dhenderson@seelyoil.com | Conditions of Approval: SUBMIT FINAL C-141 | Attached <input type="checkbox"/> |
| Date: 9/29/2006 | Phone: 817-332-1377 | |

* Attach Additional Sheets If Necessary

incident - n PAC0627638589
application - p PAC0627638711
DOCUMENTATION
OF SOIL DISPOSAL

RP#1061