

District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 300 W. Grand Avenue, Artesia, NM 88210
 District III
 1000 Rio Brazos Road, Aztec, NM 87410
 District IV
 1220 S. S. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy Minerals and Natural Resources

Form C-14
 Revised October 1, 2007

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Submit 2 Copies to appropriate
 District Office in accordance
 with Rule 110-1-2-1
 State of NM

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company DKD, LLC	Contact Danny R. Watson
Address P. O. Box 682	Telephone No 505-369-5024
Facility Name Richardson	Facility Type SWD

Surface Owner Nelda Key	Mineral Owner Nelda Key	Lease No API30-025-27886
--------------------------------	--------------------------------	---------------------------------

LOCATION OF RELEASE

Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K 5	14S	36E	1980	South	1980	West	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Battery Burned	Volume of Release 100 BBL	Volume Recovered 520
Source of Release Oil & Salt water	Date and Hour of Occurrence 9pm	Date and Hour of Discovery 9:15pm 6/23/07
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink	
By Whom? Danny R. Watson	Date and Hour 6:30am 6/24/07	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse None	



If a watercourse was impacted, Describe Fully *

N/A

Describe Cause of Problem and Remedial Action Taken *

Lightning Strike to batt about 9pm, 4 tanks blown up, 3 Fire Departments fought fire until 5:30 am Sunday morning using est. 23,000 gals of fresh water & 30 gal foam before putting fire out.

Describe Area Affected and Cleanup Action Taken *

Most of batt location & est. 100' of pasture land and roadway around batt, Sunday morning 10am 2 vac trucks picked up rain & fresh water with oil floating on top and backhoe dug 3" and piled up dirt.

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 their responsibility 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>Danny R. Watson</i>	OIL CONSERVATION DIVISION	
Printed Name: DANNY R WATSON	Approved by District Supervisor: <i>Chris Williams</i>	
Title: Pres	Approval Date: 7/5/07	Expiration Date: 10/05/07
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 7/1/07	Phone:	

Attach Additional Sheets If Necessary

RP#1473