

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	SOUTHWEST ROYALTIES, INC.	Contact	Dawn M. Howard
Address	6 Desta Drive, Ste 2100, Midland, TX 79701	Telephone No.	432/688-3267
Facility Name	Skelly "20" State	Facility Type	Oil and Gas

Surface Owner: State of NM / Rancher: Lin Medlin	Mineral Owner Southwest Royalties, Inc.	Lease No. NM E 7392/NM LO434
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	20	9-S	33-E	660	N	660	E	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

WTR 50-60'

Type of Release	Oil and Water being approx 7 BO + 38 BW	Volume of Release	45 – 50	Volume Recovered	45
Source of Release	Poly line parted at previously glued connection	Date and Hour of Occurrence	8/9/07 10:45 a.m.	Date and Hour of Discovery	8/9/07 11:30 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Notification given to Gary Wink as Larry Johnson was out of the office.			
By Whom?	Terry Mabrey	Date and Hour	8/9/07		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

11121314151617

If a Watercourse was Impacted, Describe Fully.*

n/a

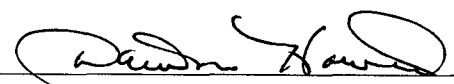

Describe Cause of Problem and Remedial Action Taken.*

All of release contained within firewall at tank battery. The leak was repaired and vacuum truck recovered fluids.

Describe Area Affected and Cleanup Action Taken.*

Backhoe will be utilized w/load of 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 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: 	OIL CONSERVATION DIVISION 	
Printed Name: Dawn M. Howard	Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: Operations Assistant	Approval Date: 9.11.07	Expiration Date: 10.12.07
E-mail Address: dhoward@claytonwilliams.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/10/07 Phone: 432/688-3267	FINAL REPORT w/ DOCUMENTATION Rec'd BY	

* Attach Additional Sheets If Necessary

RP# 1551