

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

Form C-141
Revised October 10, 2003

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

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	Celero Energy	Contact	Don Hale
Address	400 W. Illinois Midland, Texas 79705	Telephone No.	432-556-9225
Facility Name	Drickey Queen Sand Unit #43	Facility Type	oil
Surface Owner	State of N.M.	Mineral Owner	State of N.M.
		Lease No.	3000501080

LOCATION OF RELEASE

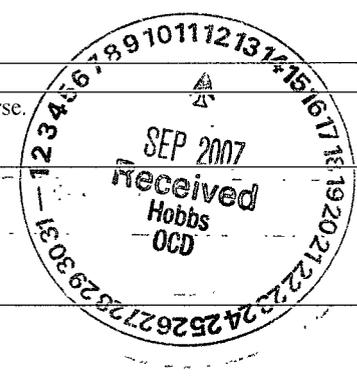
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
1	16	14S	31E	1980	S	660	E	Chaves

Latitude _____ Longitude _____

NATURE OF RELEASE

API# 30005010800000

Type of Release	salt water/ oil	Volume of Release	20 bbls	Volume Recovered	3 bbls
Source of Release	well head	Date and Hour of Occurrence	8-24-07	Date and Hour of Discovery	9 am
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Date and Hour				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Volume Impacting the Watercourse.			
If a Watercourse was Impacted, Describe Fully.*					
Describe Cause of Problem and Remedial Action Taken.* Old well head leaked. Rig up pulling unit replaced well head. Returned well to production..					
Describe Area Affected and Cleanup Action Taken.* Salt water was picked up using a vacuum truck. Chlorides of spilled water are <u>190,000</u> A 30' x 10' area was affected.					



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>Don Hale</i>	OIL CONSERVATION DIVISION <i>Johnson</i>	
Printed Name: Don Hale	Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: Production Superintendent	Approval Date: 9.13.07	Expiration Date: 11.13.07
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10-10-07 Phone: 432-556-9225	SUBMIT FINAL C-141 w/ DOCUMENTATION BY	

* Attach Additional Sheets If Necessary

RP# 1559