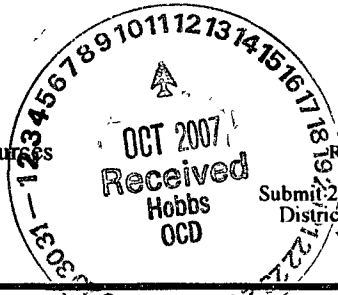


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 - Texas ReExploration Operating LC	Contact - Dean Brooks	
Address - One Petroleum Center, 3300 North A., Bldg. 1-234, Midland, TX 79707	Telephone No. 432-432-618-2202	
Facility Name - Chalupa SWD #004	Facility Type - Injection	
Surface Owner - State of New Mexico	Mineral Owner	API No. 30-025-29184

**LOCATION OF RELEASE**

Unit Letter M	Section 13	Township 14S	Range 33E	Feet from the 330	South Line South Line	Feet from the 330	East/West Line West Line	County Lea
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Latitude 33.10041 Longitude -103.57570

**NATURE OF RELEASE**

Type of Release - Produced Water/Saltwater - approximately 30,400 PPM chloride content	Volume of Release - estimated 60bbls	Volume Recovered - 0bbls
Source of Release - Flow Line	Date and Hour of Occurrence ?	Date and Hour of Discovery 8/8/07
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? OCD Compliance Officer	Date and Hour - 8/8/07	
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 flow line connection/union was replaced which later developed into a leak resulting in the brine water spill. The recent spill at this site was considered to be approximately 20bbls and a historic spill approximately 40bbls. had The analysis for produced water with this injection well is approximately 30,400 PPM chloride content. The leak has been properly repaired.

No remedial action has been taken yet. A remediation plan has been compiled and will be implemented upon NMOCD approval. Please see attached Remediation Action Plan.

Describe Area Affected and Cleanup Action Taken.\*

The approximate area effected is 150ft X 180ft. Vegetation shows signs of stress within approximately 50% of the contaminated area. The entire area indicating elevated levels of chlorides will be remediated. The choice of remediation is to remove contaminated soil to a locally approved disposal site - Gandy Marley Land Farm in Chaves County.

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: <u>Dean Brooks</u>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Dean Brooks	Approved by District Supervisor	
Title: Vice President of Engineering	Approval Date: <u>10.11.07</u>	Expiration Date: <u>12.10.07</u>
E-mail Address: <u>dbrooks@tex-rex.com</u>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>10/09/07</u> Phone: <u>432-618-2202</u>	<u>SUBMITAL OF FINAL C-141</u>	

\* Attach Additional Sheets If Necessary

W/ SUPPORTING DOCUMENTATION BY

R P# 1597