

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 June 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

(AMENDED)

OPERATOR

Initial Report Final Report

Name of Company: Celero Energy II, LP	Contact: Bruce Woodard
Address: 400 W. Illinois, Suite 1601, Midland, TX 79701	Telephone No. 432-686-1883
Facility Name: Drickey Queen Unit Salt Water Plant #3	Facility Type: Pit at Facility

Surface Owner State	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter H	Section\ 16	Township 14S	Range 31E	Feet from the North/South Line	Feet from the East/West Line	County Chaves
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Latitude 33.13221° Longitude 103.80971°

NATURE OF RELEASE

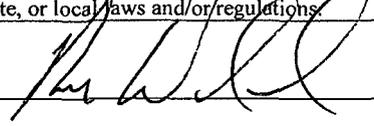
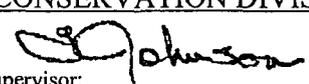
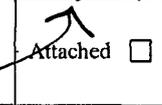
Type of Release Produced Water	Volume of Release Unknown	Volume Recovered None
Source of Release	Date and Hour of Occurrence Unknown	Date and Hour of Discovery N/A
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson, NMOCD	
By Whom? Bruce Woodard	Date and Hour	
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.*
This is an historic pit location. Celero acquired from Palisades and is in the process of closing.

Describe Area Affected and Cleanup Action Taken.*
Pit has been dewatered and visually impacted soil removed as per Investigation and Characterization Plan. Soil borings have been placed in and around pit.

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>OIL CONSERVATION DIVISION</u>	
Printed Name: Bruce Woodard	Approved by District Supervisor:  ENVIRONMENTAL ENGINEER	
Title: Engineer	Approval Date: 11.16.07	Expiration Date: 3.31.08
E-mail Address: bwoodard@celeroenergy.com	Conditions of Approval: <input checked="" type="checkbox"/> Attached <input type="checkbox"/>	
Date: _____ Phone: (432) 686-1883	SUBMIT FINAL C-141 w/ DATA BY 	

* Attach Additional Sheets If Necessary

1 RP # 1662