

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 <i>SAGE ENERGY COMPANY</i>	Contact <i>GEORGE HARRIS</i>
Address <i>P.O. BOX 3068</i>	Telephone No. <i>432-683-5271</i>
Facility Name <i>NVAU CENTRAL BATTERY</i>	Facility Type <i>CENTRAL BATTERY</i>
Surface Owner <i>EIDSON RANCHES</i>	Mineral Owner _____ Lease No. <i>E-6(9)</i>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>N</i>	<i>Z</i>	<i>17-S</i>	<i>34-E</i>					<i>LEA</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

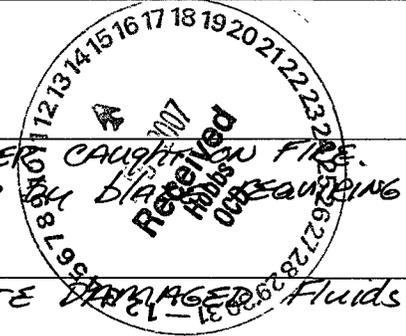
Type of Release <i>FIRE</i>	Volume of Release <i>1/2 BO</i>	Volume Recovered <i>0</i>
Source of Release <i>HORIZONTAL HEATER TREATER</i>	Date and Hour of Occurrence <i>2/7/07 1AM</i>	Date and Hour of Discovery <i>SAME</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>2/7/07 1AM</i>	
By Whom? <i>GEORGE HARRIS</i>	Date and Hour <i>3pm 2/7/07</i>	
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.* *HORIZONTAL HEATER TREATER CAUGHT IN FIRE. SUSPECT A HOLE IN A FIRE TUBE. OIL WAS CONSUMED BY DIAPHRAGM. NO REMEDIAL ACTION.*

Describe Area Affected and Cleanup Action Taken.* *TWO VERTICAL TREATERS WERE DAMAGED. FLUIDS WERE REMOVED AND PUT IN STOCK TANKS.*

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>George M. Harris Jr.</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>GEORGE M. HARRIS JR.</i>	Approved by District Supervisor: <i>Chris Williams</i>	
Title: <i>DIST ENG.</i>	Approval Date: <i>1/17/08</i>	Expiration Date: <i>1/17/08</i>
E-mail Address: <i>gharris@sagemid.com</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>2/9/07</i>	Phone: <i>4326835271</i>	

* Attach Additional Sheets If Necessary

432 083-5248
THUR 2-16-07. 10:00 TALK w/ HARRIS -
HE TO GET VERT & HORIZ DELINEATION MAP
& GET BACK w/ CHRIS BRINE. *RP# 1740*