

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	Saber Resources, Inc.	Contact	Doug Keathley
Address	400 W. Illinois, Suite 950, Midland, TX 79701	Telephone No.	(432) 685-0169
Facility Name	Oberholtzer Well #1	Facility Type	Tank Battery
Surface Owner	Dean Kinsolving	Mineral Owner	Fee Lease - Various Owners
		API No. 30-025-07171	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	8	12S	38E	660	North	1980	East	Lea

Latitude N 33.29865° Longitude W 103.11710°

NATURE OF RELEASE

Type of Release	Oil and Water	Volume of Release	260	Volume Recovered	255
Source of Release	Produced Water Storage Tank	Date and Hour of Occurrence	7/18/08 @ 1000	Date and Hour of Discovery	7/18/08 @ 1700
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Buddy Hill - OCD, Hobbs		
By Whom?	Nelson Patton	Date and Hour	7/18/08 @ 1700		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	07 90 2008		
If a Watercourse was Impacted, Describe Fully.*		HOBBS OCD			

Describe Cause of Problem and Remedial Action Taken.*
Produced water tank overflowed. Spill was primarily contained within the firewall. Approximately 255 bbl of fluid was removed from the tank battery firewall by vacuum truck. Approximately 15 bbl of oil was removed from inside the firewall and placed back in the storage tank. Approximately 240 bbl of produced water was removed from inside the firewall and hauled to an NMOCD approved disposal facility. Overspray from the spill covered a portion of the west and north firewalls, and a small area outside the firewall to the north and west of the battery. The landowner was contacted and he requested that remediation outside the firewall not be conducted.

Describe Area Affected and Cleanup Action Taken.*
All fluid was removed from within the firewall by vacuum truck. The affected west and north sides of the firewall will be covered with new caliche, and clean sand will be used to cover the affected area within the firewall. The entire area inside the firewall is lined with a 20 mil plastic liner, that passes through the sides of the firewalls.
Depth to groundwater is at approximately 25' bgs.

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:	Doug Keathley	 Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title:	VP - Operations	Approval Date:	7-30-08
E-mail Address:	Doug@SaberResources.com	Expiration Date:	—
Date:	7/21/08	Conditions of Approval:	Attached <input type="checkbox"/>
Phone:	(432) 685-0169	IRP: 1916	

* Attach Additional Sheets If Necessary

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