

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

MLB/030037762

OPERATOR

X Initial Report X Final Report

| | |
|---|---|
| Name of Company: Judah Oil, LLC <i>245872</i> | Contact: Blaise Campanella |
| Address: PO Box 568, Artesia, NM 88211-0568 | Telephone No.: 575-748-5488 NMOCD 2RP No.: <i>450</i> |
| Facility Name: Oxy T-Bone Federal No. 1 SWD | Facility Type: SWD API No.: 30-015-32122 |
| Surface Owner: Federal | Mineral Owner: Federal Lease No.: SWD-950 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| C | 33 | 18S | 31E | 660 | FNL | 1980 | FWL | Eddy |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Produced water contained within firewall. | Volume of Release: Approx. 200 bbls. | Volume Recovered: Approx. 200 bbls |
| Source of Release: Charge pump seal fatigued. | Date and Hour of Occurrence: Unknown but within 24 hours | Date and Hour of Discovery: 13 October 2010 Approx. 0800 Hrs. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher | |
| By Whom? Cheryl Winkler | Date and Hour: Message @ Approximately 0930 Hrs | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. N/A | |

RECEIVED
OCT 26 2010
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Charge pump seal fatigued discharging produced water within the SWD lined battery firewalls. NMOCD was notified.

Describe Area Affected and Cleanup Action Taken.*
Vacuum trucks were employed to suck up the standing liquid within the lined battery firewalls and replacing it into the system. Since the discharge was completely contained no CAP or FRR was produced due to the defined nature of the event. The seal was repaired and the unit put back into operation. The BLM was also on location at this time to deal with an unauthorized discharge. BLM investigated the situation and agreed with the procedure. No produced water left the containment area.

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. 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 | |
| | Approved by: <i>Blaise Campanella</i> | |
| Printed Name: Blaise Campanella | Approval Date: OCT 27 2010 | Expiration Date: <i>N/A</i> |
| Title: Member/Manager | Conditions of Approval: <i>N/A</i> | Attached <input type="checkbox"/> |
| E-mail Address: judahoil@yahoo.com | | |
| Date: 13 October 2010 Phone: 575-748-5488 | | |

* Attach Additional Sheets If Necessary

2RP-450