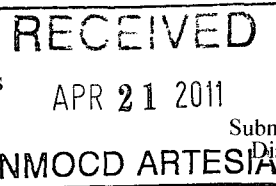


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

X Initial Report

X Final Report

Name of Company: Marshall & Winston, Inc.	Contact: Tom Brandt
Address: PO Box 50880, Midland, TX 79710-0880	Telephone No.: 432-684-6373
Facility Name: DUBLIN 23 FEDERAL NO. 1	Facility Type: Oil & Gas Wellsite NMOCD 2RP No.:

Surface Owner: Federal	Mineral Owner: Federal	LEASE No.: LC-069157 API No.: 30-015-34879
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LOCATION OF RELEASE

Unit Letter O	Section 23	Township 22S	Range 28E	Feet from the 660	North/South Line South	Feet from the 1980	East/West Line East	County Eddy
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Latitude ___ Longitude ___

NATURE OF RELEASE

Type of Release: Produced water from unauthorized truck discharge	Volume of Release: Unauthorized Discharge - Unknown	Volume Recovered: None (sandy/rocky area quickly absorbed)
Source of Release: Transport truck	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: 10 February 2011 @ 1000 Hrs.
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD (Mike Bratcher) was on location when it was discovered.	
By Whom? Cheryl Winkler	Date and Hour: 10 February 2011 @ 1000 hrs.	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. N/A	

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

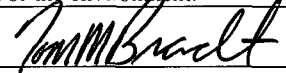
Describe Cause of Problem and Remedial Action Taken.*

Since the produced water discharge had occurred at an unknown time, all discharged liquid had soaked into the impacted areas both offsite and into the side of the pad adjacent to the southern most water tank. Additionally, during an onsite with the BLM and the NMOCD on 10 February 2011 another suspected unauthorized discharge had occurred on top of the previous one at the tank battery pod area which was visually concurred with by the agency representatives present.

Describe Area Affected and Cleanup Action Taken.*

All contaminated caliche was removed and transported to disposal. Cleanup was conducted in the same manner as delineated in the earlier CAP pursuant to NMOCD regulatory mandates. Sampling defined the extent of the spill area and remediation was conducted accordingly following 10 February 2011 onsite by BLM and NMOCD. **See attached laboratory documents for details (CAP/FRR).**

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.

Signature: 	OIL CONSERVATION DIVISION Accepted for record NMOCD		
Printed Name: Tom M. Brandt	Approved by District Supervisor:		
Title: President	Approval Date:	Expiration Date:	
E-mail Address: tbrandt@mar-win.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 29 March 2011	Phone: 432-684-6373		

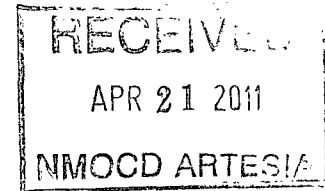
* Attach Additional Sheets If Necessary

Mr. Tom Brandt
President
MARSHALL & WINSTON, INC.
PO Box 50880
Midland, TX 79710-0880

COPY

29 March 2011

Mr. Jim Amos
Supervisor Environmental Protection Specialist
U.S. Department of Interior
Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, NM 88220



Re: Dublin 23 Federal No. 1 Response to NWO (Order No. 11-JA-037W)
U/L O Sec 23 T22S R28E 660' FSL 1980' FEL Federal Lease No.: LC-069157

Dear Mr. Amos:

Pursuant to the Bureau of Land Management's (BLM) Notice of Written Order (NWO) No. 11-JA-037W for violations noted on the Dublin 23 Federal No. 1 location as cited above, please find attached the documents which have been generated resulting from BLM compliance actions in agreement with the New Mexico Oil Conservation Division's (NMOCD) involvement with some of the issues contained in your Order.

Regarding other violations noted on the Order, please be advised Marshall & Winston have replaced the loadline valve on the southern most tank and corrected the issues with the catchpot. All remediation actions have been completed including seeding with BLM Seed Mix No. 3 based upon the agreement between BLM and the NMOCD during the infield assessment of 10 February 2011, which mandated risk assessment closure predicated on (1) the impenetrable, thick cap rock underlying the discharge area; (2) the extremely high ratio of rock to very thin soil volumes and (3) the depth to groundwater ranging from 70' to 85'.

Thank you immensely for your assistance during this remediation action. It is appreciated. Please call (432-684-6373) should you have questions.

Sincerely,

A handwritten signature in black ink that reads "Tom Brandt". The signature is stylized with a large, looped "T" and a cursive "Brandt".

Tom Brandt
President

Enclosures: Documents, photos, laboratory analyticals

COPY

operator

RECEIVED DEC 31 2010

Number 11-JA-037W

Page of

☒ Certified Mail - Return
Receipt Requested
7009141000021828201UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF WRITTEN ORDER

IDENTIFICATION	
IID	
Lease	NMLC069157
CA	
Unit	
PA	

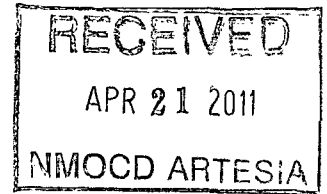
Bureau of Land Management Office CARLSBAD FIELD OFFICE				Operator MARSHALL & WINSTON INC			
Address 620 E GREENE STREET CARLSBAD NM 88220				Address P O BOX 50880 MIDLAND TX 79710-0880			
Telephone 575-234-5909				Attention			
Inspector AMOS				Attn Addr			
Site Name DUBLIN FEDERAL 23	Well or Facility 1	1/4 1/4 Section SWSE 23	Township 22S	Range 28E	Meridian NMP	County EDDY	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
11/28/2010	08:45	02/01/2011		43 CFR 3162.1.a, 3162.5-1, APD COA

Remarks:

Valve leaking on the southern most loadline. Repair/Replace. Catchpot is not effective in its current condition, sagging and allowing fluids to run on the ground. Reposition and secure. Spill and/or dumping of produced fluids from the same area, running south off the pad and down the slope. Remove all contaminants to NMOCD standards. Contact Jim Amos @ 575-234-5909 prior to closure and bottom sampling. The location has not been downsized as per APD COAs. Reduce the well pad to what is needed for daily operations. All surfaces disturbed will be reseeded with BLM #3 seed mix.



When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title _____ Signature _____ Date _____

Company Comments _____

Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice as reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

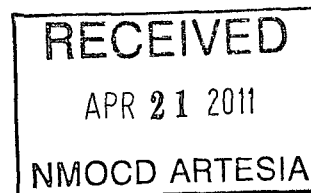
Signature of Bureau of Land Management Authorized Officer <i>James G. Amos</i>		Date 11-28-10	Time 08:45
FOR OFFICE USE ONLY			
Number 3	Date	Type of Inspection ES	

COPY

Report Date: January 25, 2011

Work Order: 11012404

Page Number: 1 of 2



Summary Report

Tom Brandt
Marshall & Winston Inc.
P.O. Box 50880
Midland, Tx 79710

Report Date: January 25, 2011

Work Order: 11012404



Project Name: Dublin 23 Fed. No. 1 Discharge
Project Number: Unauthorized Discharge

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
255956	By Tank Battery	soil	2011-01-24	00:00	2011-01-24
255957	Discharge Middle Area	soil	2011-01-24	00:00	2011-01-24
255958	Discharge at End	soil	2011-01-24	00:00	2011-01-24
255959	SE Leg of Discharge	soil	2011-01-24	00:00	2011-01-24

Sample: 255956 - By Tank Battery

Param	Flag	Result	Units	RL
Chloride		5210	mg/Kg	2.50

Sample: 255957 - Discharge Middle Area

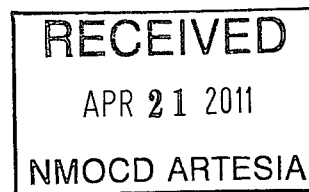
Param	Flag	Result	Units	RL
Chloride		4260	mg/Kg	2.50

Sample: 255958 - Discharge at End

Param	Flag	Result	Units	RL
Chloride		3700	mg/Kg	2.50

Sample: 255959 - SE Leg of Discharge

Param	Flag	Result	Units	RL
Chloride		2370	mg/Kg	2.50



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