

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

JUL 18 2008

OCD-ARTESIA

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

ISEB0821933974
NSEB0821933257

228051

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Americo Energy Resources, LLC	Contact	
Address	7575 San Felipe, Ste 200 Houston, TX	Telephone No.	713-984-9700
Facility Name	East Shugart Unit	Facility Type	Salt Water Disposal Facility

Surface Owner	FEDERAL	Mineral Owner	Americo Energy Resources, LLC	Lease No.	030473
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30-015-28204

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	35	18-S	31-E	2100	X	3500	X	Eddy

Latitude 32.70389 Longitude -103.838627

NATURE OF RELEASE

Type of Release	Fresh water and Produced water	Volume of Release	366 Bbls	Volume Recovered	360 Bbls
Source of Release	water tank	Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Bruce Madden	Date and Hour	711		
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.*

There was a lightning strike that shutdown the alarm system and disposal pump. Therefore freshwater and produced water tanks overflowed spilling 366 bbls of (260 freshwater and 106 of produced water) into the tank battery area; no oil at all. We got vacuum truck picked up 360 bbls of water. Small amount about 10 barrels got out of tank battery.

Describe Area Affected and Cleanup Action Taken.*

Affected area was only N.W. corner of the main tank battery. Area was thoroughly washed with fresh water and cleaned up.

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: Ehsan Bayat		OIL CONSERVATION DIVISION	
Printed Name: EHSAN BAYAT		Approved by District Supervisor: / Accepted for record - NMOCD	
Title: Regulatory Analyst/Production Tech.		Process Approval Date: 8-6-08	Expiration Date:
E-mail Address: ehsan.bayat@americoenergy.com		Conditions of Approval:	
Date: 7/16/08	Phone:	SEE ATTACHED STIPULATIONS	
		Attached <input checked="" type="checkbox"/> 2RP-209	

* Attach Additional Sheets If Necessary

SEB0821934123