

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NMLS1206050652 *155615* **OPERATOR** Initial Report Final Report

Name of Company: Nadel and Gussman Permian, L.L.C.	Contact: Sarah Tisdale
Address: 601 N. Marienfeld Suite 508 Midland, TX 79701	Telephone No: 432-682-4429
Facility Name: Carrington State #7	Facility Type: Oil Well

Surface Owner: State of New Mexico	Mineral Owner:	API No.: 30-015-39250
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LOCATION OF RELEASE

Unit Letter K	Section 12	Township 17S	Range 28E	Feet from the 1650	North/South Line S	Feet from the 2310	East/West Line W	County Eddy County, NM
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: oil	Volume of Release: approx. 60 barrels	Volume Recovered: approx. 40 barrels
Source of Release: vent line off the heater treater	Date and Hour of Occurrence 1/17/2012	Date and Hour of Discovery 1/17/2012
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Laura Juarez	
By Whom? Zac Hernandez	Date and Hour Central Standard Time on 1/17/2012	
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.*
N/a

RECEIVED
 JAN 20 2012
NMOCD ARTESIA

Describe Cause of Problem and Remedial Action Taken.*
Dump valve failure caused fluid release thru the vent line on the heater. Sent vacuum truck to recover oil.

Describe Area Affected and Cleanup Action Taken.*
Outside the berm in the NE corner of the location. Back hoe was sent to remove the affected dirt.

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>Sarah Tisdale</i>	OIL CONSERVATION DIVISION	
Printed Name: Sarah Tisdale	Signed By <i>Mike Brannon</i> Approved by Environmental Specialist.	
Title: Regulatory Analyst	Approval Date: FEB 29 2012	Expiration Date:
E-mail Address: sarah@naguss.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	Attached <input type="checkbox"/>
Date: 1/17/2012 Phone: 432-682-4429	<i>3/29/2012</i>	

* Attach Additional Sheets If Necessary

2RP-1050