

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 March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

n MLB 1204133036 OPERATOR Initial Report Final Report

| | |
|---|----------------------------|
| Name of Company: KODIAK | Contact: Sonia Braddock |
| Address 503 East Chapman, Carlsbad, NM 88221 | Telephone No. 575-887-4013 |
| Facility Name: Kodiak Trucking yard, 7512 Old Cavern Highway, Carlsbad, NM | Facility Type: |

| | | |
|---------------|---------------|-----------|
| Surface Owner | Mineral Owner | Lease No. |
|---------------|---------------|-----------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter M | Section 8 | Township 23S | Range 27E | Feet from the | North/South Line | Feet from the | East/West Line | County Eddy |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

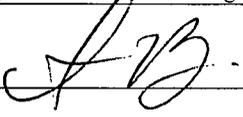
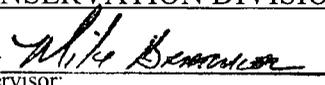
NATURE OF RELEASE

| | | |
|--|---|---------------------------------------|
| Type of Release: Fluids | Volume of Release: Unknown | Volume Recovered: 0 |
| Source of Release: Unauthorized release from a transport truck | Date and Hour of Occurrence Unknown | Date and Hour of Discovery Unknown |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? Neighbor | Date and Hour 2010 | |
| 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.* An anonymous caller notified the Environmental Department in Santa Fe regarding a Kodiak transport truck releasing produced water from its truck at the back of their yard located at 7512 Old Cavern Highway in the city of Carlsbad. The ED department contacted the NMOCD District II office in Artesia.

Describe Area Affected and Cleanup Action Taken.* Kodiak Transport contracted Talon/LPE for the correction of the release. Analytical testing was done on the impacted area and the location was contoured to match the existing terrain.

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: Sonia Braddock | Signed By  Approved by District Supervisor: | |
| Title: | Approval Date: AUG 07 2012 | Expiration Date: <i>N/A</i> |
| Date: 7/9/2012 Phone: (575) 887-4013 | Conditions of Approval: <i>N/A Final</i> | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

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