

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
Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

Release Notification and Corrective Action

nJM 1301656219

Name of Company Caza Operating, LLC 249099		Contact Richard L. Wright	<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Address 200 N. Loraine, Suite 1550, Midland, Tx 79701		Telephone No. 432 682 7424 Ext 1006		
Facility Name Forehand Ranch 27 State Com # 1H		Facility Type Temporary Test Facility		
Surface Owner State	Mineral Owner State/Fed	API No. 30 015 39844		

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	27	23 S	27 E	252	North	1900	East	Eddy

Latitude 32° 16' 57.04" N Longitude 104° 10' 32.30" W

NATURE OF RELEASE

Type of Release Produced Water & Oil	Volume of Release 62 wtr 8 oil	Volume Recovered 60 bbls
Source of Release Test Produced Water Frac Tank	Date and Hour of Occurrence 12/23/12 03:00-05:00 MST	Date and Hour of Discovery 12/23/12 05:15 MST
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Randy Dade, NMOCD & Jim Amos, BLM	
By Whom? Fred Wright	Date and Hour 12/23/12 11:07 & 11:17 MST	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED
DEC 31 2012
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Water Transport Driver fell asleep while preparing to load truck. Tank overflowed while he was sleeping. Tester will make sure that driver does not fall asleep before loading truck.

Describe Area Affected and Cleanup Action Taken.*
Adjacent to tanks Southward for 50± feet. We picked up as much as possible with vacuum truck. Dug out stained soil and transported to disposal. We will continue clean up under the water tanks once test is finished.

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>Richard L. Wright</i>	OIL CONSERVATION DIVISION	
Printed Name: Richard L. Wright	Approved by Environmental Specialist:	Signed By: <i>Mike Beaman</i>
Title: Ops Manager	Approval Date: JAN 16 2013	Expiration Date:
E-mail Address: rwright@cazapetro.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/24/2012 Phone: 432 682 7424	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: February 16, 2013	

* Attach Additional Sheets If Necessary

2RP-1497