

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**

*JMW 133 5341610*

**OPERATOR**

Initial Report  Final Report

Name of Company	LRE Operating, LLC <i>281994</i>	Contact	Michael Barrett
Address	1111 Bagby Street, Suite 4600, Houston, TX 77002	Telephone No.	575-623-8424
Facility Name	Kersey State Battery	Facility Type	Production Battery

Surface Owner	C.O.G.	Mineral Owner	State	API No.	30-015-30889
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	32	17S	28E	844'	South	330'	East	Eddy County, NM

Latitude 32.786054 Longitude 104.190396

**NATURE OF RELEASE**

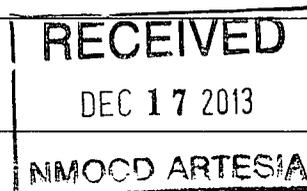
Type of Release	Oil	Volume of Release	10 bbls	Volume Recovered	5 bbls
Source of Release	Heater Treater Gasket	Date and Hour of Occurrence	12/12/13 @ noon	Date and Hour of Discovery	12/12/13 @ 1pm
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Date and Hour				
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

Describe Cause of Problem and Remedial Action Taken.\*

Heater treater gasket blew out, spraying oil onto ground and some vegetation outside of berms.  
Picked up standing fluid.



Describe Area Affected and Cleanup Action Taken.\*

There was some moisture on the ground due to rain.  
Native vegetation and caliche soil.  
Pick up heavy contaminated soil with hydrovac. Treat with Micro Blaze.

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>[Signature]</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Michael Barrett	Approved by Environmental Specialist:	Signed By <i>[Signature]</i>
Title:	Production Supervisor	Approval Date:	DEC 19 2013
E-mail Address:	mbarrett@limerockresources.com	Expiration Date:	
Date:	12/16/13	Conditions of Approval:	Attached <input type="checkbox"/>
Phone:	575-623-8424	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

*January 19, 2013*

*2RP-2122*

\* Attach Additional Sheets If Necessary