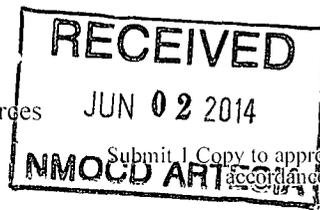


District I
1625 N. French Dr., Hobbs, NM, 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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



Form C-141
Revised August 8, 2011

Release Notification and Corrective Action

nMLB146835695 15363 OPERATOR Initial Report Final Report

Name of Company	Murchison Oil & Gas, Inc.	Contact	Greg Boans
Address	1100 Mira Vista Blvd, Plano, TX 75093	Telephone No.	(575) 628-3932
Facility Name	Hackberry State #1	Facility Type	Production Battery
Surface Owner	State of New Mexico	Mineral Owner	API No. 30-015-34803

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	17	18S	23E	660	South	1980	East	Eddy

Latitude 32° 44' 32.2" N Longitude 104° 42' 39.8" W

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	155 bbls	Volume Recovered	0 bbls
Source of Release	Open-top fiberglass tank	Date and Hour of Occurrence	After 3:00 pm on 5/19/2014	Date and Hour of Discovery	5/20/2014 4:00 pm
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? In person to Mike Bratcher			
By Whom?	Chace Walls	Date and Hour	5/21/2014 4:15 pm		
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.*

Fluid was lost due to a failure of the nipple on the backside of a 200-bbl open-top fiberglass tank. A vacuum truck was dispatched to the location but no standing fluid remained at the time of its arrival. The nipple on the tank was replaced.

Describe Area Affected and Cleanup Action Taken.*

Produced water leaked out of the tank and onto the location, affecting approximately 4,000 square feet, all of which was contained on the location pad. A backhoe was used to blend the impacted caliche and soils with surrounding material from the facility pad. Residual salt on the location poses no threat to fresh water, public health, or the environment. This facility remains active; characterization and remediation of affected subsoils will be conducted upon closure of the facility in accordance with applicable NMOCD Rules and, if required, the abandoned site's surface will be reclaimed in a manner fully consistent with applicable Rules.

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.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Greg Boans

Title: Production Superintendent

E-mail Address: gboans@jdmii.com

Date: 6/2/2014 Phone: (575) 628-3932

Accepted for record
Approved by Environmental Services NMOCD

PROCESS Approved Date: 6/17/14

Expiration Date:

Conditions of Approval: Full delineation Required - Remediation proposal
Attached

* Attach Additional Sheets If Necessary

Due by 7/17/14

2RP-2347

Bratcher, Mike, EMNRD

From: Kristin Pope <kristin@rthicksconsult.com>
Sent: Monday, June 02, 2014 9:38 AM
To: Bratcher, Mike, EMNRD
Cc: Randy Hicks; Greg Boans; Chace Walls
Subject: Murchison - Hackberry St. #1 Release
Attachments: HackberrySt1_c141submission06.02.14.pdf

Mr. Bratcher,

Please find the attached C-141 submission for the release at Murchison's **Hackberry St. #1** location. This is the one that Chace Walls informed you of during our field meeting on May 21st. Hard copy is on the way.
Thanks.

Kristin Pope
R.T. Hicks Consultants
Carlsbad Field Office
575.302.6755