

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

HOBBS OGD State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

DEC 17 2014 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.

RELEASED
Release Notification and Corrective Action

OPERATOR

X Initial Report Final Report

Name of Company	Mark L. Shilder, Inc.	Contact	G. B. Gregson
Address	1313 Campbell Rd., Bldg. D, Houston, Texas 77055	Telephone No.	(713) 481-6487
Facility Name	State I-30	Facility Type	?
Surface Owner	Phillip Frier	Mineral Owner	State of New Mexico
		API No.	30-025-08441

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	30	12S	34E	660	North	1980	East	Lea

Latitude: 33°, 15', 18.47" North Longitude: 103°, 32', 53.27" West

NATURE OF RELEASE

Type of Release: Crude Oil, Nat'l. Gas & Salt Water	Volume of Release: 25 BO/15 BW	Volume Recovered: 130 Bbls.
Source of Release: Ruptured H-T & Ruptured pack-off at wellhead	Date and Hour of Occurrence: 12/06/2014 Unknown	Date and Hour of Discovery: 12/07/2014 1200 Hrs., +/-
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? M. Brown	
By Whom? E. Jaramillo, Contract Pumper	Date and Hour: 12/08/2014 1700 Hrs.	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

12/06/2014: Unexpected pressure increase at heater-treater caused rupture resulting in crude oil, salt water release inside firewall and 200 SF outside firewall.
12/08/2014: Unexpected blowout at wellhead due to faulty pack-off/gasket resulted in an uncontrolled wet gas release into atmosphere and surrounding pasture.
12/09/2014: Dispatch Wild Well Control to Loc. Analyze blowout, plan "kill" procedure & schedule equipment.
12/10/2015: Wild Well Control pumped 400 Bbls. 10# brine down annulus to kill well (1.5 BPM @ 400#).
See attached daily *Rework Report*.

Describe Area Affected and Cleanup Action Taken.*

Approx. 25-acres of ranch land affected by wet gas release. 1/3rd acre outside firewall and around wellhead affected by crude oil. Bio-remediate contaminated soil on Loc. to approx. 5% (or less) total petroleum hydrocarbon content (by Wt.) in cooperation with and approval of rancher.
Remediate to OGD guidelines.

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: <i>Gregory B. Gregson</i>	Approved by Environmental Specialist:	
Printed Name: Gregory B. Gregson	Approval Date: 12-17-14	Expiration Date: 2-17-15
Title: Operations Manager	Conditions of Approval: <i>Schedule and detail and conduct area NMOCD guidelines. Submit final C-141 by 2.17.15.</i>	
E-mail Address: ggregson@marklshilderinc.com	Attached <input type="checkbox"/> <i>IRP-3465</i>	
Date: 12/16/2014 Phone: (713) 481-6487		

* Attach Additional Sheets If Necessary

DEC 18 2014

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