

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
20 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 October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form
Month Year
APR 12 2007
OCD ARTESIA, NM

Release Notification and Corrective Action

NMB 1520443233 155615 OPERATOR Initial Report Final Report

Name of Company Nadel & Gussman Permian, LLC Contact Kem McCreedy
Address 601 N. Marientfeld Suite 508, Midland, TX Telephone No. 432-682-4429
Facility Name Big Chief Fee No 10 79701 Facility Type Oil & GAS

Surface Owner Buddy Adair Mineral Owner _____ Lease No. _____

LOCATION OF RELEASE API# 30-015-35337

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	22	22S	28E					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <u>BRINE WATER</u>	Volume of Release <u>350-400 bbls</u>	Volume Recovered <u>40 bbls</u>
Source of Release <u>STEEL TANK ON LOCATION</u>	Date and Hour of Occurrence <u>4-2-07</u>	Date and Hour of Discovery <u>4-2-07</u>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>UNKNOWN but estimate</u>	<u>1000 hrs.</u>
By Whom? <u>Cheryl Winkler</u>	Date and Hour <u>4-2-07</u>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <u>N/A</u>	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Spill occurred thru release from steel tank on location just prior to rig removal. Vac truck called and brine water was sucked up as much as possible

Describe Area Affected and Cleanup Action Taken.*
Main area affected was pad and bar ditch along access road. Contaminated soil was picked up and placed in pit on location due to minor quantity.

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: <u>Kem McCreedy</u> <u>by C. Winkler agent</u>	OIL CONSERVATION DIVISION	
Printed Name: <u>KEM MCCREEDY</u>	Approved by District Supervisor:	<u>TIM GUM</u> <u>by MB</u>
Title: <u>Operations ENGINEER</u>	Approval Date: <u>4/12/07</u>	Expiration Date: _____
E-mail Address: <u>Kemm@naguss.com</u>	Conditions of Approval: <u>Remediation per NMOCD Rules & Guidelines</u> Attached <input type="checkbox"/> <u>SUBMIT A C-141 Final Report upon completion</u>	
Date: <u>4-12-07</u>	Phone: <u>432-682-4429 of project</u>	

* Attach Additional Sheets If Necessary

2RP-3149