

FROM :

FAX NO. : 5056229282

Apr. 20 2007 02:31PM P1

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  
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

Month - Year  
**MAY 17 2007**  
OCD - ARTESIA, NM

Form C-141  
Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

30-015-28268

### Release Notification and Corrective Action

#### OPERATOR

Initial Report  Final Report

Name of Company: <u>NGX Company</u> <u>7269</u>	Contact: <u>George Scott</u>
Address: <u>PO Box 5 Roswell NM 88202-0005</u>	Telephone No. <u># 505.350.2030</u>
Facility Name <u>McKee St. I</u>	Facility Type <u>-oil well</u>
Surface Owner: <u>State of NM</u>	Mineral Owner: <u>NM State</u> Lease No. <u>7269</u>

#### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	25	24S	28E	990	South	1650	East	Eddy

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

#### NATURE OF RELEASE

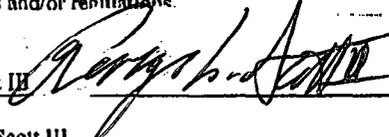
Type of Release: <u>leaking line- misted to ground</u>	Volume of Release: <u>est. 20 BO</u>	Volume Recovered: <u>-soaked soil</u>
Source of Release: <u>line off heater-treater</u>	Date and Hour of Occurrence	Date and Hour of Discovery: <u>April 4<sup>th</sup>, 07</u>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>Notice received from NMOCD via letter of violation #029707</u>	
By Whom? <u>Pumper failed to notify NGX- was fired as result</u>	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impinging the Watercourse. <u>None</u>	

If a Watercourse was Impacted, Describe Fully.\*  
NA

Describe Cause of Problem and Remedial Action Taken.\*  
Line off of heater-treater was upon ended onto location and adjacent pasture, in violation of Rule 116 and Rule 13. All oil-contaminated soil will be excavated immediately upon approval of the work plan below and N2-rich fertilizer will be placed onto and tilled into the soil for remediation. once soil is excavated completely, geochemical testst will be made w/ nmocd's reps present to confirm the soil is clean, prior to restoration of surface soil and gravels.

Describe Area Affected and Cleanup Action Taken.\*  
An area approx. 40 feet X 40 feet is affected by oil misting; the heater treater upon line will be fixed and the oil-contaminated soil will be cleaned up by excavation (upon approval of this work plan) to CRI, then N2-rich fertilizer will be placed abundantly onto the clean soil profile and tilled into the soil for remediation. A follow-up work plan will then be submitted to the NMOCD attn: Mr. Phil Hawkins. Excavated soil will be taken to C.P.I. and copies of this and geochemical analysis will be provided to NMOCD.

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>George L. Scott III</u> 	<b>OIL CONSERVATION DIVISION</b>	
Print Name: <u>George L. Scott III</u>	Approved by District Supervisor: _____	
Title: <u>President</u>	Approval Date: _____	Expiration Date: _____
E-mail Address: <u>geniexploration@aol.com</u>	Conditions of Approval: _____	Attached <input type="checkbox"/>
Date: <u>April 18, 2007</u> Phone: <u>505.350.2030</u>		

\* Attach Additional Sheets If Necessary