

NM OIL CONSERVATION

ARTESIA DISTRICT

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

DEC 09 2015

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
addition to NMOC with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB 1534555029

OPERATOR

Initial Report Final Report

Name of Company: Nadel and Gussman Permian, LLC <i>155/115</i>	Contact: Bill Dougherty
Address: 601 N. Marienfeld, Suite 508, Midland, TX 79707	Telephone No. 325-998-7107
Facility Name: Loving 2 State #5	Facility Type: Oil Well

Surface Owner State of NM	Mineral Owner	API No. 30-015-37111
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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
K	2	23 S	28 E	1865	SOUTH	1980	WEST	EDDY

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Oil and Water	Volume of Release 188 BBLs	Volume Recovered 130 BBLs
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Load lines were opened	12/8/2015 Early morning hours	12/8/2015 2:15 PM MST
Was Immediate Notice Given?	If YES, To Whom?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	Mike Bratcher of the NMOCD	
By Whom? Cheryl Winkler	Date and Hour 12/8/2015 2:30 PM MST	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

In an act of vandalism, the load lines on the water and oil tanks were opened.
A Double R vacuum truck arrived on location at approx. 5:00 PM MST on 12/8/2015.

Describe Area Affected and Cleanup Action Taken.*

Approx. 138 bbls of oil and 50 bbls of water were released onto location. The location is bermed, and the entire spill was contained on location. A Double R vacuum truck sucked up 130 bbls of fluid on location. All fluid was returned to the production tanks. We will take samples as directed by Mike Bratcher of the OCD at various locations on the pad and send the results to Mike Bratcher of the NMOCD. Remediation will be done per OCD direction.

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>Sarah Presley</i>	OIL CONSERVATION DIVISION	
Printed Name: Sarah Presley	Approved by Environmental Protection <i>[Signature]</i>	
Title: Regulatory Analyst	Approval Date: <i>12/11/15</i>	Expiration Date: <i>N/A</i>
E-mail Address: spresley@naguss.com	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/>	
Date: 12/9/2015 Phone: 432-682-4429	SUBMIT REMEDIATION PROPOSAL NO	

LATER THAN: *11/5/16*

* Attach Additional Sheets If Necessary

2RP-3442

Bratcher, Mike, EMNRD

From: Sarah Presley <spresley@naguss.com>
Sent: Wednesday, December 09, 2015 4:04 PM
To: Bratcher, Mike, EMNRD
Cc: Joel Martin; Nathan Chancler; Bill Dougherty; Shelley Nichols; Cheryl Winkler (cmwink@icloud.com); Raven Vasquez
Subject: C-141 Loving 2 State #5
Attachments: C-141.Loving 2 State #5.Initial.12 092015.pdf; Loving 2 State #5. Initial Photos.pdf

Good Afternoon,

I have attached the initial C-141 and photos for the referenced well.
Please let me know if you need anything else.

Thank you,

Sarah Presley

Nadel and Gussman Permian, L.L.C.
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Midland, TX 79701
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Fax: 432-682-4325
spresley@naguss.com