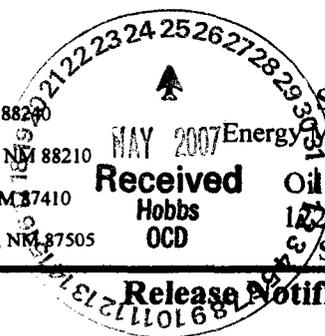


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505



State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised October 10, 2003

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

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company <i>Cano Petro of New Mexico</i>	Contact <i>Gene Brookshire</i>
Address <i>801 cherry st suite 3200 W + 25 Fortworth TX 76102</i>	Telephone No. <i>505-513-2286 or 505-513-1255</i>
Facility Name <i>CATO SA UNIT #18</i>	Facility Type <i>well</i>
Surface Owner <i>BLM</i>	Mineral Owner <i>BLM</i>
Lease No. <i>NMNM 8205-00X</i>	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>0</i>	<i>10</i>	<i>85</i>	<i>30E</i>					<i>Chavez</i>

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

**NATURE OF RELEASE**

*30005201B0000*

Type of Release <i>Oil + water</i>	Volume of Release <i>25+ Bbls</i>	Volume Recovered <i>0</i>
Source of Release	Date and Hour of Occurrence ?	Date and Hour of Discovery <i>5-24-07</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Maxi Brown</i>	
By Whom? <i>Gene Brookshire</i>	Date and Hour <i>5-25-07</i>	
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.\*

Describe Cause of Problem and Remedial Action Taken.\* *Flowline Leak repaired Flowline covered spill w/ sand to prevent livestock from drinking. made Plan with Maxi Brown w/oc.D & Paul Swartz of BLM - to take samples and determine depth of spill*

Describe Area Affected and Cleanup Action Taken.\*  
*150' x 150' area 100 yards NW of well with a 4' x 1300' area running west and 3' x 80' area running south. Will submit cleanup plan after samples*

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>Roy G. Brookshire</i>	Approved by District Supervisor: <i>[Signature]</i>	
Printed Name: <i>Roy Gene Brookshire</i>	Approval Date: <i>5-29-07</i>	Expiration Date: <i>8-29-07</i>
Title: <i>Foreman</i>	Conditions of Approval: <i>Final C-141 SUBMITTAL</i>	
E-mail Address:	Attached <input type="checkbox"/>	
Date: <i>5-25-07</i> Phone: <i>513-0286</i>	<i>[Signature]</i>	

\* Attach Additional Sheets If Necessary

*01) SUPPLEMENTARY DOCUMENTATION*

*incident - n PAC 0715051501  
application - p PAC 0715051589*

*RPH 1396*