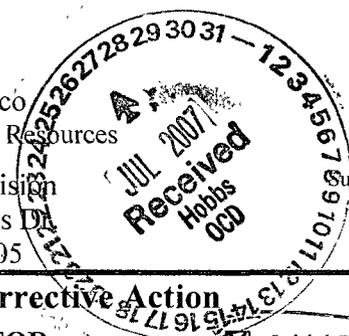


District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

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 | Lindenmuth & Associates, Inc. | Contact | Gordon Deen / Gerald Lindenmuth |
| Address | 510 Hearn St., Austin, TX 78703 | Telephone No. | 512-322-9779 |
| Facility Name | NM State 22-1 | Facility Type | Tank Battery |

| | | | | | |
|---------------|----------------------------|---------------|--|-----------|--------|
| Surface Owner | STATE NW/OCD 7-31-07 | Mineral Owner | | Lease No. | 024185 |
|---------------|----------------------------|---------------|--|-----------|--------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-----------|---------------|------------------|---------------|----------------|--------|
| K | 22 | 16S | 33 73E | | | | | Lea |

MAW/OCD
7-31-07 Latitude _____ Longitude _____

NATURE OF RELEASE

WTR > 125'

| | | | |
|-----------------------------|---|--|---------------------------------|
| Type of Release | Oil / Tank Bottoms | Volume of Release < 10 bbls | Volume Recovered < 10 bbls |
| Source of Release | Oil Stock Tank | Date and Hour of Occurrence 6/25 night | Date and Hour of Discovery 6/26 |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Local Fire responded and notified State. | |
| By Whom? | Pumper - Lana Rogers | Date and Hour | |
| 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.*
None

Describe Cause of Problem and Remedial Action Taken.*
Stock tank struck by lightning. Top blew off and sides failed. Oil level was below load line (1' 11"). Most oil burned within the firewall.

Describe Area Affected and Cleanup Action Taken.*
Inside firewall. Dirt hauled off. Tank replaced and equipment repaired.

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: | | OIL CONSERVATION DIVISION | |
| Printed Name: | Gerald Lindenmuth | Approved by District Supervisor: | |
| Title: | President | Approval Date: | 7-31-07 |
| E-mail Address: | ktoth@ilbcompany.com | Expiration Date: | — |
| Date: | 7/23/07 | Conditions of Approval: | — |
| Phone: | 512-322-9779 | Attached | <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

RP# 1506