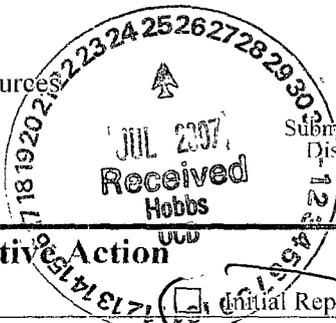


ATT. DAWN

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	SOUTHWEST ROYALTIES INC	Contact	SOUTHWEST ROYALTIES
Address	6 DESTA DRIVE SUITE 2100 MIDLAND TX 79705	Telephone No.	1-800-762-4274
Facility Name	CASH	Facility Type	OIL & GAS
Surface Owner	CARL JOHNSON	Mineral Owner	SOUTHWEST ROYALTIES
		Lease No.	CASH BATT

API #30 - 025-25634

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	30	T9S	R23E	660'	NORTH	460'	EAST	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

BBL ^{MN7-31-07} WTR > 65'

Type of Release	OIL	Volume of Release	2 GALLON	Volume Recovered	0
Source of Release	RAIN WATER WASH OUT OIL IN DIRT	Date and Hour of Occurrence	7/3/07	Date and Hour of Discovery	7/03/07
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	CARL JOHNSON	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 *

Describe Cause of Problem and Remedial Action Taken.* 7-3-07
TRUCK RAN OVER RELEASED 1 1/2 TO 2 BBL OIL IN MUD HOLE, W/AC UP RAIN WATER + OIL, COVERED MESS WITH DIRT. 7-5-07, HEAVY RAIN, WASHED 2 GALLON OIL OUT OF DIRT ON LOW POINT BEHIND BATT W/AC UP WATER + OIL 7-5-07 - HAVE TO LET LOCATION DRY FROM RAIN WATER.

Describe Area Affected and Cleanup Action Taken.*
AREA IN FRONT OF TANK ON LOCATION EAST ON LOCATION, SMALL SPOT BEHIND TANK. BACK HAS SCAPED LOCATION OF DIRT + OIL, AND BEHIND TANK, PUT NEW DIRT BEHIND TANK, REPLACE LOCATION WITH NEW CALICHE, 7-16-07 - HAULED SOIL TO LAND FARM (GANDY'S)

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>Terry G. Mabrey</i>	OIL CONSERVATION DIVISION	
Printed Name:	TERRY G. MABREY	Approved by District Supervisor:	<i>[Signature]</i>
Title:	PROD FOREMAN	Approval Date:	7-31-07
E-mail Address:	✓	Expiration Date:	←
Date:	7-18-07	Phone:	390-6644
		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

RP#1505