

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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	BTA Oil Producers	Contact	Pam Inskeep
Address	104 S. Pecos	Telephone No.	(432) 682-3753
Facility Name	9004 JV-P French #3 (Injection)	Facility Type	Tank Battery

Surface Owner	Caviness - Grazing Lessee	Mineral Owner	
→ FEDERAL - BLM		Lease No.	AP1 NMNM078148

LOCATION OF RELEASE

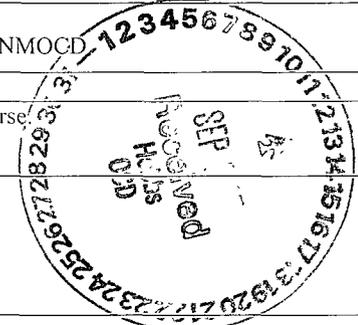
30.025.31206

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	24	18S	32E	1980	N	510	E	Lea

Latitude N 32° 44.087 Longitude W 103° 42.775

NATURE OF RELEASE

Type of Release	Fire/Spill	Vol of Release	est 50 bbls SW	Volume Recovered	0 bbls
Source of Release	Lightning Strike/Tanks	Date and Hour of Occurrence	09/09/2007 a.m.	Date and Hour of Discovery	09/09/2007 10:15 a.m.
Was Immediate Notice Given?	Monday a.m. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Kent Caffall, BLM Larry Johnson, NMOCD		
By Whom?	Pam Inskeep	Date and Hour	09/10/2007 7:27 a.m.		
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.*

Lightning struck the battery. All tanks were totally destroyed, SWD pump has extensive damage. All fluid from the tanks (estimated 50 bbls SW) was contained within the dike. A small undetermined volume of water was released outside the dike, due to flowline destruction. All fluid is unrecoverable. A vacuum truck will remove all possible liquid. Closest residence is 10 miles away.

**CHLORIDE OF WATER SPILLED?
103,000**

Describe Area Affected and Cleanup Action Taken *

A vacuum truck was hired to remove all possible liquid. The release was within a prior impacted area that is under a current remediation program. The affected area will then be cleaned in its entirety.

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>Joseph A. Baca</i>	OIL CONSERVATION DIVISION <i>L. Johnson</i>	
Printed Name: Joseph A. Baca	Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: Environmental Coordinator	Approval Date: 9.17.07	Expiration Date: 11-17-07
E-mail Address: sbaca@btaoil.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 09/10/2007 Phone: (432) 682-3753	SITE UNDER PREVIOUS SPILL PLAN	

* Attach Additional Sheets If Necessary

R P # 1525

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
New Mexico State Land Office

REPORT OF UNDESIRABLE EVENT

DATE OF OCCURRENCE/DISCOVERY: 09/09/2007 TIME OF OCCURRENCE: est 2 a.m. MDT

DATE REPORTED TO THE BLM: 09/10/2007 TIME REPORTED: 8:25 a.m. CDT

BLM OFFICE REPORTED TO: (FIELD/DISTRICT/OTHER) Hobbs, NM

LOCATION: (1/4 1/4) SE/NE SECTION 24 T 18S R 32E MERIDIAN ---

COUNTY: Lea STATE NM WELL NAME French, 9004 JV-P #3 (Inj)

OPERATOR: COMPANY NAME BTA Oil Producers PHONE NO: (432) 682-3753

CONTACT PERSON'S NAME Skip Baca

SURFACE OWNER: Federal --- Caviness - Grazing Lessee MINERAL OWNER: Federal
(FEDERAL/INDIAN/FEE/STATE)

LEASE NO: NMNM078148 RIGHT-OF-WAY NO: ---

UNIT NAME/COMMUNITIZATON AGREEMENT NO: ---

TYPE OF EVENT, CIRCLE APPROPRIATE ITEM(S):

BLOWOUT, FIRE, FATALITY, INJURY, PROPERTY DAMAGE, OIL SPILL, **SALTWATER SPILL**, OIL AND
SALTWATER SPILL, TOXIC FLUID SPILL, HAZARDOUS MATERIAL SPILL, UNCONTROLLED FLOW
OF WELLBORE FLUIDS, OTHER (SPECIFY): _____

CAUSE OF EVENT: Lightning struck the tank battery.

HazMat Notified: (for spills) ---

Law Enforcement Notified: (for thefts) ---

CAUSE AND EXTENT OF PERSONAL INJURIES/CAUSE OF DEATH(S): ---

Safety Officer Notified: ---

EFFECTS OF EVENT: All tanks were totally destroyed, SWD pump has extensive damage. All fluid from the tanks (est 50 bbls SW) was contained within the dike. A small undetermined volume of water was released outside the dike, due to flowline destruction.

ACTION TAKEN TO CONTROL EVENT: A vacuum truck will remove all possible liquid. The release was within a prior impacted area that is under a current remediation program. The affected area will be cleaned in its entirety.

LENGTH OF TIME TO CONTROL BLOWOUT OR FIRE: Fire burned itself out.

VOLUMES DISCHARGED: OIL _____ WATER est 50 bbls SW GAS _____

OTHER AGENCIES NOTIFIED: NM OCD - Hobbs