

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 Celero Energy	Contact Don Hale
Address 400 W. Illinois Midland, Texas 79701	Telephone No. 432-556-9225
Facility Name Rock Queen #83	Facility Type injection well

Surface Owner State of N.M.	Mineral Owner State of N.M.	Lease No. 3000500938
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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
B	25	13S	31E	660	N	1920	E	Chaves

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release salt water	Volume of Release 50 bbls	Volume Recovered 45 bbls
Source of Release wellhead leak	Date and Hour of Occurrence 2-11-08 @ 5:00 am	Date and Hour of Discovery 2-11-08 @ 7:00 am
Was Immediate Notice Given? Required <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not	If YES, To Whom? Larry	
By Whom? Don Hale	Date and Hour 2-11-08 @ 8:00 am	
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.*

RECEIVED

Describe Cause of Problem and Remedial Action Taken.*
Well head was not secured properly for the night. Well pressured up and BOP leaked.

FEB 21 2008
HOBBS OCD

Describe Area Affected and Cleanup Action Taken.*
Salt water was picked up using a vacuum truck and back-hoe. Chlorides of spilled water are 190,000 ppm. A 10' x 600' area was affected. +/- 60 yards of contaminated soil was hauled to disposal.

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>Don Hale</i>	OIL CONSERVATION DIVISION <i>J. Johnson</i>	
Printed Name: Don Hale	Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: Production Superintendent	Approval Date: 2.21.08	Expiration Date: 4.21.08
E-mail Address:	Conditions of Approval:	
Date: 2-19-08 Phone: 432-556-9225	Submitted Final C-141 w/ Documentation & Samples by Attached <input type="checkbox"/> 1. EP # 1793	

* Attach Additional Sheets If Necessary

F0040 805 254 046