

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
MAY 14 2008
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

OCD-ARTESIA

17213

Release Notification and Corrective Action

6 SEB0814337889
17 SEB08143371022

OPERATOR Initial Report Final Report

Name of Company	PENROC OIL CORPORATION	Contact	M. Y. (Merch) Merchant
Address	1515 CALLE SUR, HOBBS, NM 88241	Telephone No.	(575) 492-1236
Facility Name	State MAT No. 2	Facility Type	Pumping Well
Surface Owner	N/A	Mineral Owner	State of NM
		Lease No.	E-7179

30-015-02627

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	6	18S	28E	949	SOUTH	990	WEST	EDDY

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	oil	Volume of Release	2 bbls. Max	Volume Recovered	-0-
Source of Release	Flow line leak	Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	7/24/07	7/25/07	7 AM.
By Whom?		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.*
No

Describe Cause of Problem and Remedial Action Taken.*
Caliche corroded flowline. Replaced w/ new pipe.

Describe Area Affected and Cleanup Action Taken.*
Affected area was by the pumpjack and down by flowline. Well makes less than 1 bopd & no gas w/ trace of water. Picked up oil stained dirt & replaced w/ clean dirt. Stained dirt taken to Sundance (market attached).

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>[Signature]</i>	OIL CONSERVATION DIVISION	
Printed Name: M. Y. (Merch) Merchant	Approved by District Supervisor: <i>[Signature]</i>	
Title: President	Approval Date: 5-27-08	Expiration Date: N/A
E-mail Address: mmerchant@penrocoil.com	Conditions of Approval: N/A	Attached <input type="checkbox"/> N/A
Date: 5/13/08 Phone: (575) 492-1236		

* Attach Additional Sheets If Necessary

PSEB0814337441
RE10809426986

2RP-169

Sundance Services, Inc.

P.O. Box 1737 ★ Eunice, New Mexico 88231

(575) 394-2511

Ticket # 81872

Lease Operator/Shipper/Company: Provia

Lease Name: Provia #2

Transporter Company: Victory

Time 1:33 AM/PM

Date: 5-14-08

Vehicle No. 99

Driver No. 9

Charge To: Revenue Bill

TYPE OF MATERIAL

- | | | |
|--|---|--|
| <input type="checkbox"/> Produced Water | <input type="checkbox"/> Drilling Fluids | <input type="checkbox"/> Completion Fluids |
| <input type="checkbox"/> Tank Bottoms | <input checked="" type="checkbox"/> Contaminated Soil | <input type="checkbox"/> C-117 No.: |
| <input type="checkbox"/> Other Materials | <input type="checkbox"/> BS&W Content: | |

Description: Oil

- JETOUT
 CALLOUT

VOLUME OF MATERIAL

BBLs. 2 YARDS

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. 6901, ET SEQ., THE NM HEALTH AND SAF. CODE 361.001 ET SEQ., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: [Signature]

FACILITY REPRESENTATIVE: [Signature]