

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

RECEIVED
OCT 15 2008
HOBBS ON

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Cano petro of NM	Contact Gene Brookshire
Address po box 149 Maljamar NM 88264	Telephone No. 575-513-0286
Facility Name Cato # 6 battery <i>well # 49</i>	Facility Type Battery

Surface Owner Private / fed	Mineral Owner	Lease No.
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LOCATION OF RELEASE

API 30 005 10455

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	11	8S	30E	1980	FSL	660	FWL	Chavez

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release P/W and some oil	Volume of Release 250	Volume Recovered 130
Source of Release wtr tanks/dyke	Date and Hour of Occurrence 10-11-08 3am	Date and Hour of Discovery 10-11-08 4:30am
Was Immediate Notice Given? X Yes No <input type="checkbox"/> Not Required	If YES, To Whom? Maxey Brown	
By Whom? Gene Brookshire	Date and Hour 10-11-08 10:30am	
Was a Watercourse Reached? <input type="checkbox"/> Yes x No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* *inj pump went down with elec problem tanks ran over filled up dyke dyke broke Had trucks start hauling wtr and picking up spill had backhoe repair dyke and remove contaminated soil on private land got pump back running*

Describe Area Affected and Cleanup Action Taken.*

spill ran west down rd from battery 400' turned north down rd ran 600' turned west into pasture ran 350' aprox 5' wide crossed into Fed land ran 1050' down cow trail aprox 2' wide had vac truck pick up fluid had backhoe pick up contaminated soil on private land sprayed spill with micro blaze on fed land

FOR OIL ONLY NO GOOD ON PRODUCED WATER

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>Gene Brookshire</i>	OIL CONSERVATION DIVISION <i>Johnson</i>	
Printed Name: Gene Brookshire	Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: Operations Manager	Approval Date: <i>10.16.08</i>	Expiration Date: <i>12.16.08</i>
E-mail Address: geneb@canopetro.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10-13-08 Phone: 575-513-0286	<i>SUBMIT SAMPLING OF</i>	<i>IRP # 1980</i>

* Attach Additional Sheets If Necessary

FGRL0834531123

AFFECTED AREA FOR CHLORIDES & PLAT OF SPILL; SUBMIT BILLS OF LADEN FOR REMOVED CONTAMINATION.