

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	Burk Royalty Company, LTD	Contact	Rusty Carpenter
Address	4245 Kemp Blvd, Ste 600, Wichita Falls, TX 76308	Telephone No.	940-704-6554
Facility Name	KEOHANE "A" #1	Facility Type	Tank Battery and Well Head
API #	3002508465		

Surface Owner	Danny Berry	Mineral Owner	BLM	Lease No.	
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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
"O"	27	T20S	R34E					Lea

Latitude 32° 32' 15.7" North Longitude 103° 32' 41.7" West.

NATURE OF RELEASE

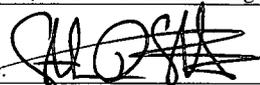
Type of Release	Crude Oil & Produced Water	Volume of Release	Unknown	Volume Recovered	Unknown
Source of Release	Unknown	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	If YES, To Whom?			
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.*

Describe Cause of Problem and Remedial Action Taken.* Release site is an abandoned tank battery, production pit and plugged and abandoned well head. Vessels and storage tanks have been removed from the site. NMOCD form C-144 was submitted to register previously unregistered pit.

Describe Area Affected and Cleanup Action Taken. Investigation trenches were excavated in the tank area and production pit area; soil samples were collected and submitted for laboratory analysis. Based on the analytical results of the backhoe investigation, a work plan was prepared and submitted to the NMOCD. The impacted areas were excavated and approximately 3,112 cubic yards of impacted soil was transported to the Lazy Ace Landfarm (NM 01-0041). Non-impacted native soil was purchased from the landowner and was used to backfill the excavations. Clean-up standards were 10 ppm benzene, 50 ppm BTEX, 5,000 ppm TPH and 1,000 ppm chloride (per the NMOCD). Please refer to the Remediation Summary and Site Closure Request, dated October 2008 for additional details.

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: 	OIL CONSERVATION DIVISION 	
Printed Name: Steve Stults	Approved by District ENVIRONMENTAL ENGINEER	
Title: Vice President - Operations	Approval Date: 12.4.08	Expiration Date:
E-mail Address:	Conditions of Approval:	
Date: 11/6/08	Phone: 940-704-6554	IRP# 1976

RECEIVED

FGRL08 34526992

HOBBS OCT

DEC 04 2008

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Release Notification and Corrective Action

OPERATOR

Initial Report

Final Report

Name of Company	Bark Royalty Company, LTD	Contact	Rusty Carpenter
Address	4245 Kemp Blvd, Ste 600, Wichita Falls, TX 76308	Telephone No.	940-704-6554
Facility Name	KEOHANE "A" #1	Facility Type	Tank Battery and Well Head
API #	3002508465		

Surface Owner	BLM - DANNY BEARY	Mineral Owner	BLM	Lease No.	
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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
"O"	37	T20S	R34E					Lea

Latitude 32° 32' 15.7" North Longitude 103° 32' 41.7" West

NATURE OF RELEASE

Type of Release	Crude Oil & Possibly Produced Water	Volume of Release	Unknown	Volume Recovered	Unknown
Source of Release	Unknown	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse			

WTR 100'

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* Leak site is an abandoned tank battery and production pit and plugged and abandoned well head. Vessels and storage tanks have been removed from the site. NMOCD form C-144 will be submitted to register previously unregistered pit. A Work Plan for pit closure will be submitted to the NMOCD for approval prior to beginning work. Investigation trenches have been excavated in the tank area and production pit area and soil samples have been collected and submitted for laboratory analysis. Pending receipt of the laboratory analytical results, a Work Plan will be prepared and submitted to the NMOCD for approval, detailing a proposed site clean-up strategy. Preliminary clean-up standards are 10 ppm benzene, 50 ppm BTEX and 5,000 ppm TPH.

Describe Area Affected and Cleanup Action Taken. The leak source has been removed (tanks and well head P&A'd)

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 poses 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		OIL CONSERVATION DIVISION	
Printed Name	Steve Stults, Vice Pres., Operations	Approved by District Supervisor	
Title	Vice President, Operations	ENVIRONMENTAL ENGINEER	
E-mail Address		Approval Date: 10.16.08	Expiration Date: 12.16.08
Date	April 28, 2008	Phone: 940-7046554	Conditions of Approval:
			SUBMIT FINAL C.141
			IRP # 1976

44-1117

HOBBS ULL

OCT 16 2008