

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

**RECEIVED**  
**DEC 12 2008**  
**HOBBSOCD**

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 II, LP	Contact Lisa Hunt
Address 400 W. Illinois, Ste. 1601 Midland, TX 79701	Telephone No. (432)686-1883
Facility Name TD Pope 35 Tank Battery #3	Facility Type Tank Battery

Surface Owner S & J Operating	Mineral Owner	Lease No. 303316
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**LOCATION OF RELEASE**

API # 30 025 37175

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	35	14S	37E	1505	North	2120	East	Lea

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

WTR 661

**NATURE OF RELEASE**

Type of Release Oil & Water	Volume of Release 27BO/298BW	Volume Recovered 27BO/293BW
Source of Release Polyline	Date and Hour of Occurrence 12/10/08	Date and Hour of Discovery 12/10/08
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Maxey Brown	3:30 PM 3:50 PM
By Whom? Lisa Hunt	Date and Hour 12/11/08 @ 2pm cst	
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.\*  
A 2" polyline burst on gas separator back to production tank. Discovered the spill quickly & was able to recover most of the fluids.

Describe Area Affected and Cleanup Action Taken.\*  
300' x 30' area. Fluid was sucked up with a vacuum truck. Scraping surface of soil now. Tetra Tech has been notified to take soil samples.

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>Lisa Hunt</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Lisa Hunt	<i>J. Johnson</i> Approved by District Supervisor <b>ENVIRONMENTAL ENGINEER</b>	
Title: Regulatory Analyst	Approval Date: 12-18-08	Expiration Date: 2-18-09
E-mail Address: LHunt@celeroenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/11/2008 Phone: (432)686-1883	<b>SUMMIT REMEDIATION PLAN</b> w/ DELINEATION SAMPLES FOR OCD APPROVAL	<b>IRP # 2036</b>

\* Attach Additional Sheets If Necessary

↑  
USE THIS # ON  
ALL PAPERWORK  
REGARDING THIS  
INCIDENT.

FGRL 0835835085