

RECEIVED APR 15 2010

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

1MUB1013127395

Release Notification and Corrective Action

30-015-24760

OPERATOR

Initial Report Final Report

Name of Company	Marks & Garner Production LTD Co.	Contact	Quinton Welborn
Address	P.O. Box 1089, Hobbs, NM 88241 14070	Telephone No.	(575) 393-9358
Facility Name	Diamond State #2	Facility Type	Oil Well

Surface Owner:	State of NM	Mineral Owner:	Marks & Garner	API No.	30-015-24760
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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
M	4	17S	29E	330	South	990	West	Eddy

Latitude N 32.85727° Longitude W 104.08527°

NATURE OF RELEASE

Type of Release	Oil and Water	Volume of Release	Unknown	Volume Recovered	None
Source of Release	Tank Battery and Separator	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	Unknown
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	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.*
Leak at Tank Battery and Separator. No remedial action has been taken to date. Delineation activities have been conducted.

Describe Area Affected and Cleanup Action Taken.*
Impacted soil will be removed from the area, and the site will be remediated to OCD rules and guidelines.

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>Quinton Welborn</i>	OIL CONSERVATION DIVISION	
Printed Name: Quinton Welborn	Approved by <i>[Signature]</i>	
Title: Manager	Approval Date: MAY 10 2010	Expiration Date:
E-mail Address: qwelborn@valornet.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 4/1/10 Phone: (575) 393-9358	REMEDATION per OCD Rules and Guidelines.	

* Attach Additional Sheets If Necessary

PMUB 1013053560

2RP-408