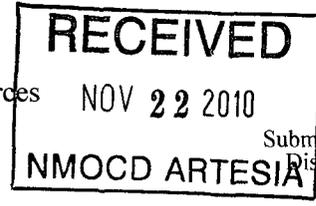


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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**

AMLB0913441226

**OPERATOR**  Initial Report  Final Report

|                 |                                   |               |                 |
|-----------------|-----------------------------------|---------------|-----------------|
| Name of Company | Marks & Garner Production LTD Co. | Contact       | Quinton Welborn |
| Address         | P.O. Box 1089, Hobbs, NM 88241    | Telephone No. | (575) 393-9358  |
| Facility Name   | Cave State #4                     | Facility Type | Oil Well        |

|                |             |                |                |         |                        |
|----------------|-------------|----------------|----------------|---------|------------------------|
| Surface Owner: | State of NM | Mineral Owner: | Marks & Garner | API No. | 30-015-24742 2RP # 307 |
|----------------|-------------|----------------|----------------|---------|------------------------|

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| F           | 4       | 17S      | 29E   | 1650          | North            | 1650          | West           | Eddy   |

Latitude N 32.86636° Longitude W 104.08299°

**NATURE OF RELEASE**

|                             |   |   |         |                            |         |
|-----------------------------|---|---|---------|----------------------------|---------|
| Type of Release             | Oil and Water   | Volume of Release                         | Unknown | Volume Recovered           | None    |
| Source of Release           | Well head   | 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 Wellhead was repaired.

Describe Area Affected and Cleanup Action Taken.\*  
An area approximately 45' x 55' was excavated to a depth of 8' bgs, lined with 20 mil plastic and backfilled with clean caliche per OCD guidelines. A Remediation Report with complete details is 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>Quinton Welborn</i>            |  | <u>OIL CONSERVATION DIVISION</u>                      |                                   |
| Printed Name: Quinton Welborn                |  | Approved by District Supervisor: <i>Allye Brannon</i> |                                   |
| Title: Manager                               |  | Approval Date: <b>DEC 03 2010</b>                     | Expiration Date: <i>N/A</i>       |
| E-mail Address: <i>qwelborn@valornet.com</i> |  | Conditions of Approval: <i>N/A</i>                    | Attached <input type="checkbox"/> |
| Date: 10/13/10 Phone: (575) 393-9358         |  | <i>Final</i>  |                                   |

\* Attach Additional Sheets If Necessary