

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 March 17, 1999

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

30-015-26406

Release Notification and Corrective Action

nMLB 1101152629

OPERATOR

Initial Report Final Report

Name of Company	BTA Oil Producers LLC 260297	Contact	Pam Inskeep
Address	104 S. Pecos, Midland, TX 79701	Telephone No.	(432) 682-3753
Facility Name	Pardue -D-, 8808 JV-P #2	Facility Type	Well

Surface Owner	Antonio & Gloria Onsurez	Mineral Owner	Antonio & Gloria Onsurez	Lease No.	
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LOCATION OF RELEASE

2RP-543

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	11	23S	28E	990	North	660	West	Eddy

NATURE OF RELEASE

Type of Release	Minor, produced fluid	Volume of Release est 0-20 bbls	Volume Recovered 0 bbls
Source of Release	unknown	Date and Hour of Occurrence on or before 03/29/2006	Date and Hour of Discovery 03/29/2006
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.*

N/A

RECEIVED

DEC 15 2010

Describe Cause of Problem and Remedial Action Taken.*

NMOCD ARTESIA

BTA was made aware, 12/09/2010, of a Letter of Violation - Inspection dated 04/06/2006 detailing evidence of a recent release of produced fluids. Ben Grimes, BTA, has spoken with Randy Dade, OCD Artesia, regarding how this needs to be handled. BTA has no record of receipt of the Letter of Violation and no internal report regarding a release at this site. BTA personnel associated with the site at that date (operations manager, field supervisor, pumper) are no longer with the company. Clay Tipton, BTA, has scheduled to meet Mike Bratcher, OCD, at the site on 12/16/2010 to discuss OCD recommendation for remediation. We anticipate that samples will be taken at the site to determine contamination level. If necessary, contaminated soil will be removed and hauled to an approved disposal site. Where it may be possible, affected soil will be blended on-site with clean soil.

Remediation operations will be reported to OCD, Artesia, once completed.

Describe Area Affected and Cleanup Action Taken.*

See above explanation

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:		<u>OIL CONSERVATION DIVISION</u>	
Printed Name:	Pam Inskeep	Approved by	Signed By District Supervisor:
Title:	Regulatory Administrator	Approval Date:	11/11/2011 Expiration Date:
Date:	12/14/2010	Phone:	(432) 682-3753

Conditions of Approval: Remediation per NMOCD Rules & Guidelines Attached
2RP-543

* Attach Additional Sheets If Necessary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

COPY FROM WELL FILE

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

30-015-26404

04-Apr-06

BTA OIL PRODUCERS

104 S PECOS

MIDLAND TX 79701

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/29/2006	Routine/Periodic	Chris Beadle	Yes	No	4/21/2006	iCLB0608841379
Violations Surface Leaks/Spills						

Comments on Inspection: Location appears to have had a release of produced fluids causing heavy hydrocarbon and chloride impact across south side of location.

Remediation is required. Submit a Form C-141 (Release Notification and Corrective Actions) for this release.

Submit remediation work plan to OCD District 2 Office. Remediation work plan must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other contaminants of concern as applicable. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide. This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd, under Publications> Environmental Handbook> Miscellaneous Guidelines> Remediation of Leaks, Spills and Releases.

OCD approved remediation must be completed on this release no later than April 30, 2006. Provide NMOCD District 2 Office with the remediation work plan prior to April 15, 2006.

Notify NMOCD District 2 Office 48 hours prior to any remediation work or prior to taking samples where results of the samples may be submitted to the OCD.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,



Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
 *Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

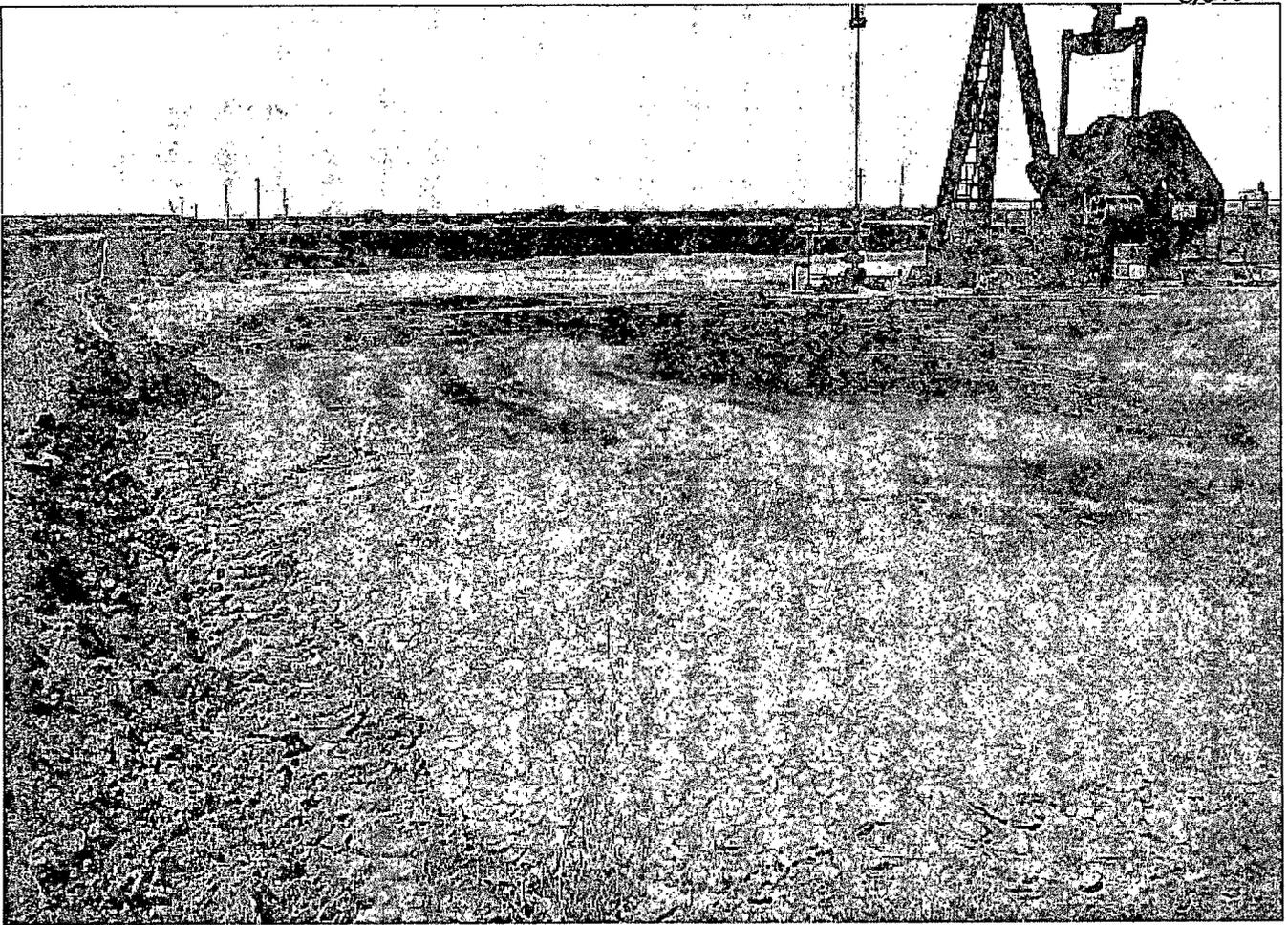
BTA Pardue D8808 JV-P #2

11-23-28

015-26406

3/29/2006

C Benite



BTA Pardue D 8808 JV-P # 2

11-23-28

015-26406

3/29/2006

C. Bendle

