

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

**RECEIVED**  
MAR 29 2011  
NMOCD ARTESIA

Form C-141  
October 10, 2003

30-015-33974

**Release Notification and Corrective Action**

*nkmlw 1108928830*

<b>OPERATOR</b>		<input checked="" type="checkbox"/> Initial Report	<input checked="" type="checkbox"/> Final Report
Name of Company: Nadel & Gussman Permian, LLC <i>155615</i>		Contact: Zac Hernandez	
Address: 600 N. Marienfeld St. Suite 508, Midland, TX 79701		Telephone No.: 432-682-4429	
Facility Name: Big Chief Fee No. 8		Facility Type: Oil	
Surface Owner: Fee	Mineral Owner:	Lease No.: NA Fee	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	22	22S	28E	990'	S	1650'	E	Eddy

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

**NATURE OF RELEASE**

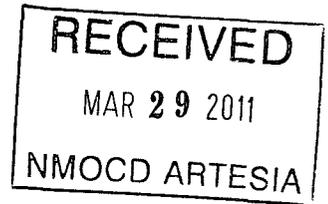
Type of Release: Hydrocarbon discharge - <i>oil</i>	Volume of Release: Approximately 15 bbls.	Volume Recovered: Approximately 9-bbls.
Source of Release: Bullet shot into the 4x20 heater treater.	Date and Hour of Occurrence Unknown	Date and Hour of Discovery: 3/23/11 @ 1753
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Cheryl Winkler	Date and Hour: 3/24/11 @ 0833 Hrs.	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	
If a Watercourse was Impacted, Describe Fully.*  NA		
Describe Cause of Problem and Remedial Action Taken.*  The point of discharge resulted from a bullet shot into the heater treater causing a release of approximately 15 bbls. into the 40ml lined battery containment area. Vacuum trucks were called immediately to recover the discharged oil. None of the discharge exited the containment area walls.		
Describe Area Affected and Cleanup Action Taken.*  Once the recoverable oil was removed from the battery containment area, the vacuum truck returned it to the oil tank. The lined battery also contained a thin layer of chat, which was removed and hauled to disposal; then the area was backfilled with pea gravel. Upon examination of the integrity of the liner, no violations were found. Due to the nature of the cause of the discharge, the Sheriff's Office responded to NGP's request for investigation of property damage on Thursday, 24 March 2011. This report will be available after 1 April 2011 and forwarded to the NMOCD under separate cover.		
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.		

<b>Signature:</b> <i>Zac Hernandez</i>		<u>OIL CONSERVATION DIVISION</u>	
<b>Printed Name:</b> Zac Hernandez		Approved by District Supervisor Signed By <i>Zac Hernandez</i>	
<b>Title:</b> Operations Engineer		Approval Date: <i>3/29/2011</i>	Expiration Date: <i>N/A</i>
<b>E-mail Address:</b> zhernandez@naguss.com		Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
<b>Date:</b> 28 March 2011 <b>Phone:</b> 432-682-4429		<i>Final</i>	

\* Attach Additional Sheets If Necessary

*2RP-669*

Mr. Zac Hernandez  
Operations Engineer  
NADEL AND GUSSMAN PERMIAN, LLC  
601 N. Marienfeld  
Suite 508  
Midland, TX 79701



28 March 2011

Mr. Mike Bratcher  
OIL CONSERVATION DIVISION  
1301 West Grand Avenue  
Artesia, NM 88210

Re: Big Chief Fee No. 8 Hydrocarbon Discharge *Corrective Action Plan/Final Remediation Report*  
U/L O S22 T22S R28E  
**API NO.: 30-015-33974**  
**NMOCD 2RP No.:**

Dear Mr. Bratcher:

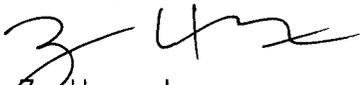
Pursuant to the State of New Mexico regulatory requirements and guidelines for *Remediation of Leaks, Spills and Releases*, please find enclosed the following documents for Nadel and Gussman Permian, LLC's (NGP) Big Chief Fee No. 8 hydrocarbon discharge: (1) Initial and Final Report Form C-141 and (2) *Corrective Action Plan (CAP) and Final Remediation Report (FRR)* for the release of approximately 15 barrels of hydrocarbon resulting from a bullet piercing the 20x140 heater treater wall. The discharge was contained within the 40ml lined battery and reported to the New Mexico Oil Conservation Division (NMOCD) at approximately 0833 hours on 24 March 2011.

Once the recoverable oil (approximately 9 bbls.) was removed from the battery containment area, the vacuum truck returned it to the oil tank. The lined battery also contained a thin layer of chat, which was removed and hauled to disposal; then the area was backfilled with pea gravel. Upon examination of the integrity of the liner, no violations were found.

Due to the nature of the cause of the discharge, the Sheriff's Office responded to NGP's request for investigation of property damage on Thursday, 24 March 2011. This report will be available after 1 April 2011 and forwarded to the NMOCD under separate cover with pertinent information, if necessary.

Should you have questions, please call 432-682-4429 (office).

Sincerely,

  
Zac Hernandez  
Operations Engineer

Enclosures: C-141 Initial/Final, CAP/FRR