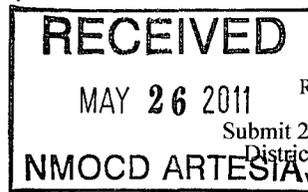


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

MLB 1115432582

Release Notification and Corrective Action

nMLB 1115432886

OPERATOR

Initial Report Final Report

Name of Company: Arapahoe Oil Field Services	Contact: Stephen Callaway
Address: PO Box 1127 Hobbs, NM 88241	Telephone No.: 575-441-2159
Facility Name: Remuda Basin 31-1	Facility Type: Well
Surface Owner: Federal	Mineral Owner: State and Federal
Lease No.: API No. 30-015-28137	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	31	23S	37E	1980	North	1980	West	Eddy

Latitude N 32.25373350 Longitude W 103.92984150

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 120 bbl	Volume Recovered: 0 bbl
Source of Release: Transport Truck	Date and Hour of Occurrence: 7/3/10 0800 hrs	Date and Hour of Discovery: 7/3/10 0800 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, OCD Artesia Field Office	
By Whom? Bradley Blevins, Chesapeake Oil Co.	Date and Hour: 7/3/10 10:00 am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: N/A	

If a Watercourse was Impacted, Describe Fully. N/A

Describe Cause of Problem and Remedial Action Taken.* Arapahoe truck was hauling water from Chesapeake Pierce Canyon well and spilled it's load at the Remuda Basin 31-1 Site. No liquid was recovered. Spill was reported to Mike Bratcher OCD. BBC International was contacted to take soil samples and advise on cleanup standards and procedures.

Describe Area Affected and Cleanup Action Taken.* An area approximately 100' X 100' (see attached diagram) was impacted from the spill. Soil samples were taken by BBC International at surface and 1' bgs to determine impact (see analytical). Ocotillo Environmental was contacted to perform cleanup activities. Between the dates of August 2, 2010 and September 4, 2010 a total of 1,045 cy of impacted material was excavated and transported to Controlled Recovery, Inc.. BBC was then contacted to conduct confirmation samples. After submittal of analytical (see attached) to OCD w/ approval to backfill, Diamondback Disposal Services, Inc was employed to backfill excavation. Between the dates of May 1, 2011 and May 6, 2011 a total of 1,200 cy were purchased from the BLM, and transported to the excavation, placed and the site was contoured and seeded with BLM #2 mix.

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>Stephen Callaway</i>	OIL CONSERVATION DIVISION	
Printed Name: Stephen Callaway	Approved by District Supervisor: <i>Mike Bratcher</i>	
Title: Manager/owner	Approval Date: 6/3/2011	Expiration Date: N/A
E-mail Address: s.callaway21@gmail.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: 5-25-11 Phone: 441-2159	<i>Final</i>	

* Attach Additional Sheets If Necessary

2RP-793