

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company: Paladin Energy Corp	Contact: Mickey Horn
Address: 10290 Monroe Dr., Ste 301, Fort Worth, TX 75229	Telephone No. (214) 352-7273
Facility Name: State BT "C" No. 003	Facility Type: Tank Battery

Surface Owner: State of New Mexico	Mineral Owner: State of New Mexico	API No. 30-025-01017-00-00
------------------------------------	------------------------------------	----------------------------

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County	Lea
L	35	11S	33E	1,980	South	660	West		

Latitude 33° 19' 04" Longitude 103° 34' 12"

**NATURE OF RELEASE**

Type of Release: Crude oil/produced water	Volume of Release: 15 bbl oil and 40 bbl water	Volume Recovered: 7 bbl (total fluid)
Source of Release: Valve failure at free water knockout	Date and Hour of Occurrence: 03/15/2015	Date and Hour of Discovery: 03/16/2015
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.	

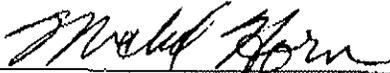
**RECEIVED**

By OCD; Dr. Oberding at 1:05 pm, Apr 07, 2015

Describe Cause of Problem and Remedial Action Taken. \* Pop-off relief valve failed at free water knockout causing liquids to spill onto ground. Spill is limited to area inside firewall and no liquid escaped firewall. A vacuum truck was used to pick up free liquid. Backhoe and roust-a-bout crew to pick up oily soil for disposal at OCD approved facility.

Describe Area Affected and Cleanup Action Taken. \* Area affected by spill is inside firewall and did not affect area outside of firewall. Composite soil samples will be collected and analyzed following removal of oily soil and reported to OCD to determine if further remediation is required.  
Note: Composite samples are not accepted.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Mickey Horn	Hydrologist	Approved by <del>Environmental Specialist</del> 
Title: Operations Manager	Approval Date: 04/07/2015	Expiration Date: 07/07/2015
E-mail Address: paladinmid@suddenlink.net	Conditions of Approval:	Attached <input type="checkbox"/>
Date: April 6, 2015 Phone: (432) 522-2162	Site samples required. Delineate and remediate area as per NMOC guides.	IRP-3593 164070

\* Attach Additional Sheets If Necessary

nTO1509747584

pTO1509747792