

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

## State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. JAN 25 2008

Form C-141 Revised October 10, 2003

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

Attached

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 30-015-35569 **Release Notification and Corrective Action OPERATOR Initial Report** X Final Report Name of Company: Nadel & Gussman Permian, LLC Contact: Kem McCready Address: 601 N. Marienfeld St. Suite 508, Midland, TX 79701 Telephone No.: 432-682-4429 Facility Name: Cronos Fee No. 1 Facility Type: Oil/Gas Surface Owner: D. Brantley Mineral Owner Lease No. LOCATION OF RELEASE API No.: 30-015-33408 County Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line E 20 28E 1950' 660' W Eddy **23S** N Latitude Longitude c141 DOC NATURE OF RELEASE Type of Release: Volume of Release: Volume Recovered: 130 bbls. Water/Oil mix (produced water) Unknown but likely close to the recovered amount. Date and Hour of Discovery: 0600 Source of Release: Date and Hour of Occurrence: Illegal dump by unknown trucking company Unknown Hours on 7 January 2008 Was Immediate Notice Given? If YES, To Whom? X Yes No Not Required Mike Bratcher By Whom? Cheryl Winkler Date and Hour: 7 January 2008 Approx. 0800 Hours Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes X No N/A If a Watercourse was Impacted, Describe Fully.\* N/A Describe Cause of Problem and Remedial Action Taken.\* See Initial C-141 Report Describe Area Affected and Cleanup Action Taken.\* No further cleanup action was necessary since the drilling pit was initiating closure that morning. (see attached report) 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. 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. **OIL CONSERVATION DIVISION** Ilen Dichoedy Signature: TIM GUM Approved by Dibyct Apervisor: Printed Name: Kem McCready Signed By Approval Date: AN 2 5 2008 Expiration Date: Title: Operations Manager E-mail Address: kemm@naguss.com Conditions of Approval:

Phone: 432-682-4429

Date: 23 January 2008

<sup>\*</sup> Attach Additional Sheets If Necessary