

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
2040 South Pacheco  
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

30-045-22097

**Release Notification and Corrective Action**

~~30-045-10025~~

**OPERATOR**

Initial Report  Final Report

Name of Company Playa Minerals & Energy, Inc.		Contact Ken Jackson
Address 650 N. Sam Houston Pkwy. E. Suite 500 Houston, Texas 77060		Telephone No. (281) 931-3800
Facility Name Horseshoe Gallup Unit #297		Facility Type Oil Lease
Surface Owner Navajo Nation	Mineral Owner Federal	Lease No.

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	4	30N	16W	2450'	South	1250'	East	San Juan

**NATURE OF RELEASE**

Type of Release Oil & Water	Volume of Release 37 BBls (3 bbls oil) 34 bbls water	Volume Recovered 0
Source of Release Flowline rupture due to freezing	Date and Hour of Occurrence 02/26/02 Early morning	Date and Hour of Discovery 02/26/02 12:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Bruce Martin	
By Whom? Bruce Martin	Date and Hour 02/26/02	
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 * Flowline froze due to low temperatures causing line to break  Line clamped and area of contamination will be excavated.		
Describe Area Affected and Cleanup Action Taken.* The Area affected covers 250' X 1' X 11/2' and into a ditch covering an area 75' X 8' X 3".  The affected area will be cleaned up by removing the affected soil to a staging area and then the soil will be transported an approved land farm.		

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>Kenneth W. Jackson</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Kenneth W. Jackson	Approved by <i>Denny Faurt</i> District Supervisor. <i>For Frank Chavez</i>	
Title: Regulatory Compliance	Approval Date: 03/07/02	Expiration Date:
Date: 03/01/02 Phone: (281) 931-3800	Conditions of Approval: <i>Need to have</i>	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

*reporting instruction school  
for field hands, proceed with  
clean up, must complete within  
thirty days.*

ADGF 0206655094