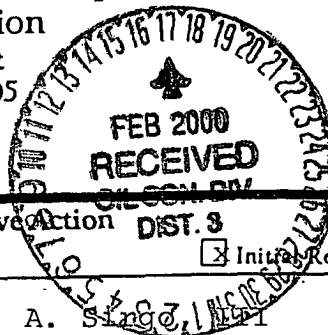


District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 South First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-141
Originated 2/13/97

Submit 2 copies to
Appropriate District
Office in accordance
with Rule 116 on
back side of form



30-045-29163

Release Notification and Corrective Action

OPERATOR

☒ Initial Report

☐ Final Report

Name KENSON OPERATING COMPANY, INC.	Contact M. A. Sirgo
Address P. O. Box 3531, Midland, TX 79702	Telephone No. 915/685.0878
Facility Name NW Cha Cha Unit Well No. 25	Facility Type

Surface Owner Navajo Nation	Mineral Owner Navajo Nation	Lease No. 14-20-603-2199
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LOCATION OF RELEASE

Unit Letter K	Section 22	Township 29N	Range 14W	Feet from the 2431	North/South Line South	Feet from the 1889	East/West Line West	County San Juan
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NATURE OF RELEASE

Type of Release Produced fluids/oil and fresh water	Volume of Release 40 bbls.	Volume Recovered 10 bbls.
Source of Release Flowline failure	Date and Hour of Occurrence 2/9/00 2:00 a.m.	Date and Hour of Discovery 2/9/00 7:00 a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Steve Wason and Mark Kelly	
By Whom? Rick Caruthers/Mel Hunt/Brian Sirgo	Date and Hour 2/9/00 9:30 a.m.	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully. (Attach Additional Sheets If Necessary)

Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)

Production flowline developed a hole in the poly section subsurface three feet from well tie in. Immediate diking of run off was initiated to prevent expansion of production fluid.

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)

On site coverage was 94'x46' and 3'x76'. Off site fluid path covered 9" average width and a distance of 637' stopping 1' short of the Mesa edge. Temperature was 41 degrees F. This caused oil to remain in a gel consistency making clean up possible with shovels. *Cleaned up, land farmed on adjacent location*

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>M. A. Sirgo</i>	OIL CONSERVATION DIVISION	
Printed Name: M. A. Sirgo, III	Approved by District Supervisor: <i>Henry G. Jant</i>	for Frank Chavez
Title: Engineer	Approval Date: <i>2/28/2000</i>	Expiration Date:
Date: February 15, 2000	Phone: 915/685.0878	Conditions of Approval:
		Attached <input type="checkbox"/>

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