

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

Release Notification and Corrective Action

30 045 26275

OPERATOR

☐ Initial Report ☒ Final Report

| | | |
|---|-------------------------------|---------------------|
| Name of Company Cordillera Energy, Inc. | Contact: Chester Deal | |
| Address 5802 Highway 64 | Telephone No.: 505-632-8056 | |
| Facility Name Langendorf #3 | Facility Type: Water Disposal | |
| Surface Owner: BLM | Mineral Owner: BLM | Lease No. SF 078463 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------|
| O | 34 | 31 N | 13 W | 1097 | South | 1439 | East | San Juan |

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Produced Water / Crude Oil | Volume of Release 30 Bbl of Produced Water, Less than 1 Bbl of Oil | Volume Recovered: All |
| Source of Release: Tank over flow by Key Energy Services | Date and Hour of Occurrence 8/14/2002 4:35 am | Date and Hour of Discovery 8/14/02 9:00AM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Chester Deal to Key Energy Services, Key Energy Services to Charlie Perrin by Bob James on 8/14/02, 4:25 pm, voice message left to Denny Foutz at 4:28 pm on same date. | |
| By Whom? Chester Deal & Bob James | Date and Hour: See above notation | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. Did Not Reach Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*
Did not reach watercourse.

Describe Cause of Problem and Remedial Action Taken.*

A vacuum truck owned by Key Energy Services was unloading produced water. Driver failed to monitor the unloading process causing the tanks to over flow in to the lined, burned area.

Describe Area Affected and Cleanup Action Taken.*

The tank battery will be disassembled and moved to the edge of location. All the contaminated dirt and gravel that was between the tanks and liner will be removed and land farmed on site. A replacement liner will be installed and fresh gravel and dirt brought in. The tank battery will be reassembled and put back into production.

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: <u>Chester L. Deal</u> | OIL CONSERVATION DIVISION | |
| Printed Name: Chester Deal | Approved by <input type="checkbox"/> District Supervisor: <u>Denny Foutz</u> | for Frank Chavez |
| Title: Production Superintendent | Approval Date: <u>8/29/07</u> | Expiration Date: |
| Date: August 23, 2002 Phone: 505-632-8056 | Conditions of Approval: | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

11 DGF 0222 832656