

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
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 October 10, 2003

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

Release Notification and Corrective Action

API 30-045-30942

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company Lance Oil & Gas, Inc.	Contact Jo Becksted
Address P. O. Box 70, Kirtland, NM 87417	Telephone No. (505) 598-5601 Ext. 58
Facility Name Ropco 16 #1	Facility Type Transfer tank battery
	API #30-045-30942

Surface Owner State of New Mexico	Mineral Owner State of New Mexico	Lease No. B-11242
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	16	29N	14W	997	North	1563	East	San Juan

Latitude _____ Longitude _____

NATURE OF RELEASE

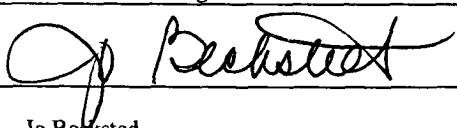
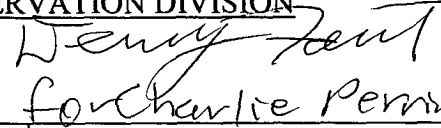
Type of Release Produced Water	Volume of Release 20 bbls	Volume Recovered 19 bbls
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Filters clogged and tank overflowed	02/15/06 approx 7:00 a.m.	02/15/06 @ 9:48 a.m.
Was Immediate Notice Given?	If YES, To Whom?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	Mark Kelly of the BLM, Denny Foust of NMOCD	
By Whom? Jo Becksted	Date and Hour 02/15/06 @ 10:15 a.m.	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.* The filters clogged with sand, causing the tanks to overflow.

Describe Area Affected and Cleanup Action Taken.* All of the produced water was contained within the plastic-lined berm. The filters were cleaned and a water truck was dispatched to suck up as much of the spilled produced water as possible. All water was properly disposed.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Jo Becksted	Approved by District Supervisor: 	
Title: Production Tech	Approval Date: 2/20/06	Expiration Date:
E-mail Address: jbeckste@westernngas.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Phone: (505) 598-5601 Ext. 58		

* Attach Additional Sheets If Necessary

NOGF 0605156750