

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

30 045 30764

OPERATOR

Initial Report ☒ Final Report ☐

Name of Company XTO Energy Inc.	Contact Brenda Waller / Jeff Clement
Address 2700 Farmington Avenue, Bldg. K Suite 1	Telephone No. 505/324-6789
Facility Name Kutz Federal #11 E	Facility Type Wellsite/ Production

Surface Owner Federal	Mineral Owner Federal	Lease No. NM SF 047039A
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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
C	20	28 N	10 W	495	North	698	West	San Juan

Latitude 36.396 Longitude 107.5523

NATURE OF RELEASE

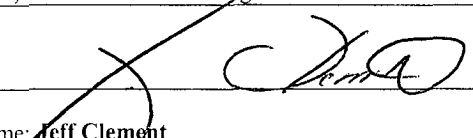
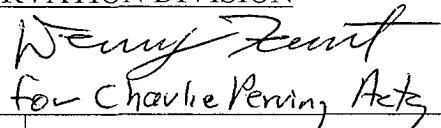
Type of Release Oil and associated produced water	Volume of Release 13 bbls. oil 7 bbls. water	Volume Recovered Zero bbls. recovered
Source of Release Production Tank / 2" drain valve	Date and Hour of Occurrence 12/29/04 4:00 am	Date and Hour of Discovery 12/29/04 11:00 am
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Denny Foust (NMOCD)	
By Whom? Blagg Engineering	Date and Hour 12/29/04 2:30 pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
A watercourse was not impacted by this release.

Describe Cause of Problem and Remedial Action Taken.* ☐ **2" drain valve on the oil production tank froze, breaking it due to extreme cold weather. When rapid warming occurs in the afternoon periods the crack in the valve releases the produced well fluids. XTO Energy has recognized this to possibly be a recurrent event and have set into place an active program to identify these types of valves and replace them with non-freeze valves.**

Describe Area Affected and Cleanup Action Taken.* ☐ **The produced fluids leached into ground through the bottom of the pit tank. Vent hole monitoring will be performed on the release.**

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: Jeff Clement	Approved by District Supervisor:  for Charlie Perring, Actg		
Title: Environmental and Safety Coordinator	Approval Date: 1/6/05	Expiration Date:	
E-mail Address: Jeff_Clement@xtoenergy.com	Conditions of Approval: Needs final Report.	Attached <input type="checkbox"/>	
Date: 1/4/2005	Phone: 324-1090		

* Attach Additional Sheets If Necessary

NDGFO501033262