

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

30039 06784

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Patina San Juan, Inc.	Contact John Nussbaumer
Address 5802 U.S. Hwy. 64, Farmington, N.M. 87401	Telephone No. 303.263.4608
Facility Name Champlin #1	Facility Type Tank Battery

Surface Owner State	Mineral Owner Federal	Lease No. SF-079527-A
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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
0	35	27N	04W	940	South	990	West	Rio Arriba

Latitude 36 31,548' Longitude 107 13.601'

NATURE OF RELEASE

Type of Release -Condensate	Volume of Release 238 bbls.	Volume Recovered 82 bbls
Source of Release-Production Tank	Date and Hour of Occurrence over 1&1/2 days	Date and Hour of Discovery 4/21/04 Around noon
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Monica	
By Whom? Rod Seale	Date and Hour 3/6/03 2:30 p.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.*

Describe Cause of Problem and Remedial Action Taken- Pumper drained water from production tank in preparation for oil sale. He closed the drain valve but must not have closed it completely or the valve stops had moved over time. Oil continued to drain out into the water tank and overflowed the tank. 156 barrels of oil reached the ground and soaked into the soil. Patina has started a program of replacing this particular type of valve at many of the tank batteries.

Describe Area Affected and Cleanup Action Taken.*

Excavated soil and will landfarm on site. Impacted soil mixed with fertilizer and mixed. Will be periodically stirred until remediated.

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: John Nussbaumer	Approved by District Supervisor: 	
Title: Manager, Environmental & Safety	Approval Date: 5/10/04	Expiration Date:
E-mail Address: jnussbaumer@patinaoil.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 05/04/04	Phone: 303.389.3600	

* Attach Additional Sheets If Necessary

NDGF0411352509

PATINA

OIL & GAS CORPORATION

May 5, 2004

Mr. Denny Foust
Oil Conservation Division, State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410



Denny,

Attached are two copies of the C-141 form for the spill on the Champlin #1 tank battery. Originally I had asked our new employee to submit the form to your office as she was in Farmington. Evidently this person submitted the spill report on a Sundry notice. I apologize for this mix-up. As stated in our conversation on 5/4/04, the soil will be remediated on site and, when remediated to acceptable regulatory levels, put back into the excavation. I have sent soil samples of the excavation sidewalls and bottom hole to a laboratory for analysis and will forward those results to you with a site sketch within the next two weeks.

Should you have any questions regarding the report or the site, please feel free to give me a call.

Sincerely,

John Nussbaumer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CHAMPLIN #1
2. Name of Operator PATINA SAN JUAN, INC.		9. API Well No. 30-039-06784
3a. Address 5802 HIGHWAY 64 FARMINGTON, NM 87401	3b. Phone No. (include area code) 505-632-8056	10. Field and Pool, or Exploratory Area BASIN DK/BLANCO MV/TAPACITO PC
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL & 950' FWL UL "M" SEC 35 T27N R4W		11. County or Parish, State RIO ARriba COUNTY, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off	
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon		
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal		
					<u>SPILL NOTIFICATION</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

An oil spill occurred on the Champlin #1 lease and was discovered by the pumper on 4/21/04.

The pumper opened the well's water dump valve at noon on 04/19/04 to drain fluids from the tank in preparation for an oil sale. The pumper discovered the leaking valve and closed it during his route visit to the site. The total volume of the spill amounted to approximately 230 bbls of which 82 bbls have been recovered. The spill overflowed from a metal containment tank into an earthen pit which absorbed the oil.

No watercourse was reached or impacted.

NMOCD notification to Monica Kuhling 4/21/04.

US Forest Service notification to Paul Reidinger 4/22/04

BLM notification to Mark Kelly 4/22/04

Oil was unavoidably lost.

14. I hereby certify that the foregoing is true and correct.		
Name (Printed/ Typed)	Title	
JEAN M. MUSE	REGULATORY/ENGINEERING TECHNICIAN	
Signature	Date	APRIL 21 2004
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title	Date
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	APR 30 2004
Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

(Instructions on reverse)

MINOCD