District 1 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

Date: 4/1/2010

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance

Form C-141

with Rule 116 on back side of form

Release Notification and Corrective Action 30 04529946 **OPERATOR** M Final Report Initial Report Name of Company: XTO Energy, Inc. Contact: James McDaniel Address: 382 Road 3100, Aztec, New Mexico 87410 Telephone No.: (505) 333-3701 Facility Name: Salty Dog SWD #1 (30045)29946) Facility Type: SWD Surface Owner: Federal Mineral Owner: Lease No.: LOCATION OF RELEASE Unit Letter Section Township Feet from the North/South Line Feet from the East/West Line County Range В 29N 15W 1200 **FNL** 1380 **FEL** San Juan Latitude: 36.760095 Longitude: -108.364370 NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 80 Bbls Volume Recovered: 80 Bbls Source of Release: Tank Failure Date and Hour of Occurrence: Date and Hour of Discovery: 3/21/10 at 10:30 AM Unknown Was Immediate Notice Given? If YES, To Whom? Brandon Powell By Whom? Ms. Kim Champlin Date and Hour March 22, 2010, 14:11 Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* NA Describe Cause of Problem and Remedial Action Taken.* The bottom of a steel storage tank at the Salty Dog SWD #1 failed, releasing its contents into a lined berm. The 80 bbls was confined to the lined berm and was removed by World Star Development. The tank was repaired and put back into service. Describe Area Affected and Cleanup Action Taken.* All 80 bbls of water was recovered from inside the lined tank berm. No soil was affected and no cleanup activities were taken. RCVD APR 6'10 OIL CONS. DIV. DIST. 3 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. OIL CONSERVATION DIVISION Signature: For: OP Approved by District Supervisor: Printed Name: James McDaniel Approval Date: 4/9/10 **Expiration Date:** Title: EH&S Specialist Conditions of Approval: E-mail Address: James McDaniel@xtoenergy.com Attached

Phone: 505-333-3701