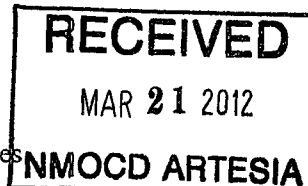


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NMLB1208736097

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Remuda Energy Transportation, LLC 226 911	Contact	T.J. Smith - Safety Officer
Address	276 West Kincaid Ranch Road, Artesia, NM 88210	Telephone No.	(575)-513-0919
Facility Name	Pecos River LACT	Facility Type	LACT
Surface Owner	Private	Mineral Owner	API No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	11	22 South 23 South	28 East		940' FSL		425' FEL	Eddy

Latitude 32.3154 Longitude -104.05061

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	21bbl	Volume Recovered	0bbl
Source of Release	Tank Thief Hatch	Date and Hour of Occurrence	Date and Hour of Discovery		
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	3/18/12 DATE OF RELEASE?		
By Whom?	Date and Hour				
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.*


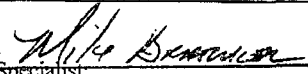
During high winds (40mph) a driver read the head gauge at 14ft with 18ft max. The drivers began to unload product from their trucks in to the Station, either by driver read error or a head gauge switch malfunction the tanks at the station were overloaded. As a result oil product escaped out of the tanks thief hatches and was carried via spray by the high winds. Drivers noticed the oil spray while loading, they immediately stopped loading the station and diverted all future loads to a secondary LACT site.

Describe Area Affected and Cleanup Action Taken.*

Approximately 3400ft² of area was covered with oil spray both our facility and the LACT facility to the northeast were affected. The majority of the spray landed in and around our containment and on Centurion's facility. We plan clean all tanks and equipment hit with the spray and to remove all affected soil and send to the nearest land farm or disposal facility and replace with clean gravel and soil.

Centurion, for safety and security reasons will conduct all cleanup activities at their facility and bill the cleanup cost to Remuda Energy Transportation, LLC

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: <u>Jerry M. Smith (TJ)</u>	Signed By:  Approved by Environmental Specialist:	
Title: <u>Safety Officer</u>	Approval Date: MAR 27 2012	Expiration Date:
E-mail Address: <u>Tj.Smith@remudallc.com</u>	Conditions of Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 4/27/2012	
Date: <u>3/30/2012</u>	Phone: <u>(575) 513-0915</u>	Attached <input type="checkbox"/> 2PA-1073

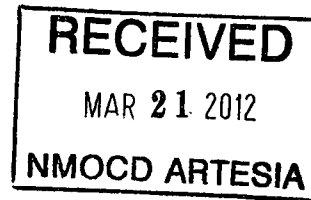
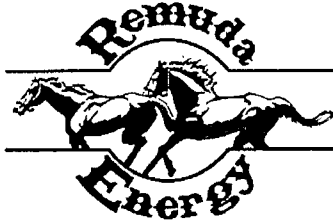
* Attach Additional Sheets If Necessary

fMLB1208734579 Pecos River LACT Facility

iMLB1208736995

MLB1208737085 (compliance #)

Scott M. Yates
Chief Operating Officer



JB Smith
General Manager

Corporate Office Phone 575-746-0336 - 105 South 4th Street - Artesia, New Mexico 88210

Dispatch Phone Numbers: 855-283-0320 / 575-746-0320

To: Mike Bratcher
From: TJ Smith – Safety Officer
Re: Product Release

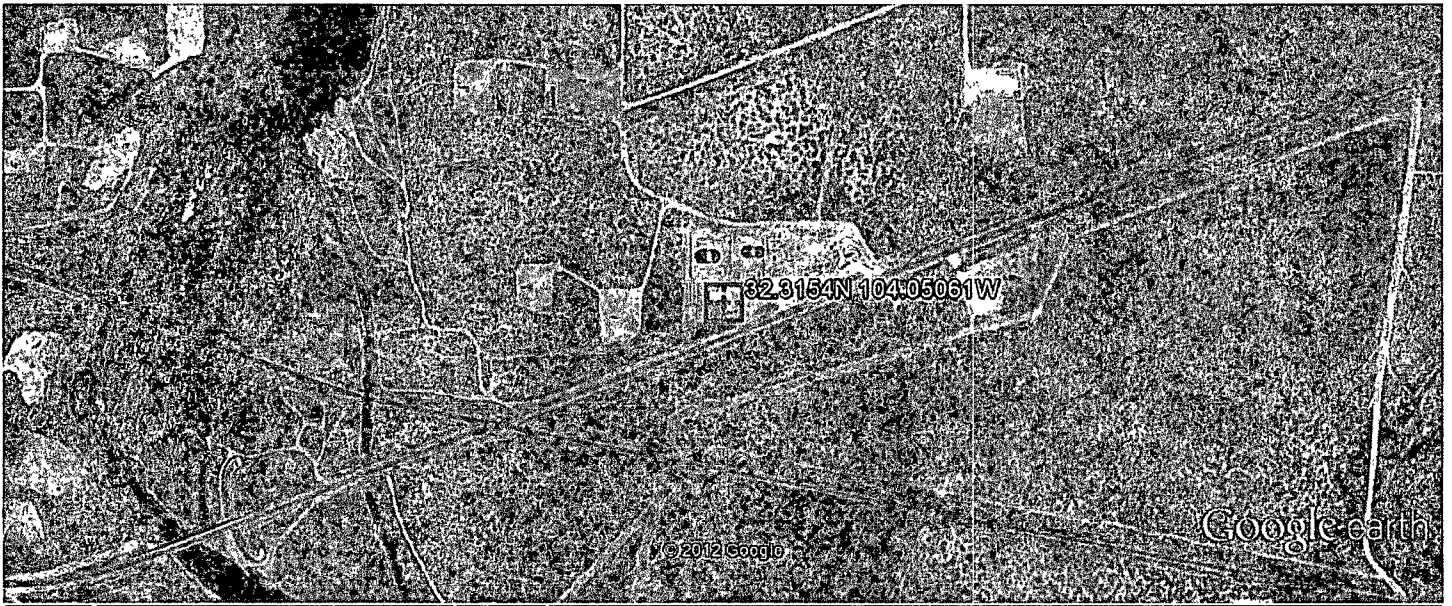
Mr. Mike Bratcher,

Remuda Energy Transportation, LLC, Reports a release at the following location:

Pecos River LACT
Section 11, Township 22 south, Range 28 east
Eddy County, New Mexico
Date of Release 3/18/2012
Approximately 21 barrels of crude oil were released 0 barrels recovered
Cause of release has been isolated and repairs are in progress
All loss was spray due to the wind; this resulted in no standing fluids
Site will be evaluated and a work plan for remediation will be submitted for consideration.
Attached is the C-141

If you should have any questions please feel free to contact me at the number below.

TJ Smith
Safety Officer
Remuda Energy Transportation, LLC
Artesia, NM 88210
(575) 513-0915



32.3154N 104.05061W