E-ISUTE I 1625 N. French Dr., Hobbs, NM 88240 District II

State of New Mexico

FEB 0 6 2014 Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

811 S. First St., Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED District IV

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

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

Release Notification and Corrective Action **OPERATOR** ✓ Initial Report Final Report Name of Company BURK ROYALTY CO., LTD. Contact JON H. BEAR Address P.O. BOX 94903, WICHITA FALLS, TX 76308 Telephone No. 940-397-8638 Facility Name CRUCES FEDERAL #006 Facility Type OIL WELL API No. 30-025-02462 Surface Owner DANNY BERRY Mineral Owner BURK ROYALTY CO., LTD. **LOCATION OF RELEASE** Unit Letter Feet from the North/South Line Feet from the East/West Line Section Township Range County 26 Κ 208 34E 1650 SOUTH 1650 WEST LEA Latitude 32.5413712035158 Longitude -103.534064341716

NATURE OF RELEASE Type of Release CRUDE OIL Volume of Release 3-4 BARREL Volume Recovered 0 Date and Hour of 101/29/2014 MORNING Date and Hour 01/28/2014 NIGHT Source of Release POLY LINE TRANSITION If YES, To Whom? Was Immediate Notice Given? ☐ Yes ☐ No ▼ Not Required By Whom? DANNY BERRY Date and Hour If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? ☐ Yes **V** No If a Watercourse was Impacted, Describe Fully.* DTW=1051 Describe Cause of Problem and Remedial Action Taken.* COLD WEATHER MAY HAVE CAUSED EXCESSIVE FLOW LINE PRESSURE WHICH COULD HAVE CAUSED A POLY LINE TRANSITION TO BURST. Describe Area Affected and Cleanup Action Taken.* AREA CONTAMINATED APPROXIMATELY 10'X50'. OILY DIRT PUSHED INTO PILE AND PLAN TO MOVE THESE TWO LOADS OF OIL DIRT TO LAND FARM ASAP. 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: Approved by Environmental Environmental Specialist Printed Name: JON H BEAR Expiration Date: 4714 Approval Date: 2614 Title: PETROLEUM ENGINEER Conditions of Approval: DELINERE & E-mail Address: diana@burkroyalty.com Attached REMEDIATE PER OCD QUIDELIMES. 1RP-06-14-307 Phone: 940-397-8638 Date: 02/03/2014

* Attach Additional Sheets If Necessary

SUBME FINAL C-141 BY 4/7/14

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