

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
HOBBS
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.

JAN 22 2015

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Resolute Natural Resources Co, LLC	Contact: Patrick Flynn
Address: 1700 Lincoln Street Suite 2800, Denver, CO 80203	Telephone No. 303.534.4600 X1145
Facility Name: State A Tank Battery	Facility Type: Tank Battery

Surface Owner	Mineral Owner	API No.: 30-025-05245
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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
	2	15S	37E					Lea

Latitude: 33.04461N Longitude: 103.17622W

NATURE OF RELEASE

Type of Release: Produced water and oil	Volume of Release: 238 Bbl water and 42-Bbl oil	Volume Recovered: 204 Bbl water and 36 Bbl oil
Source of Release: Overran water tank	Date and Hour of Occurrence: Within 24-hours of discovery	Date and Hour of Discovery: 12/12/14 @ 8:30AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Reported by phone to Tomas Oberding on 12.15.14	
By Whom? Patrick Flynn	Date and Hour 12.15.14	
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.*

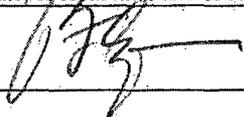
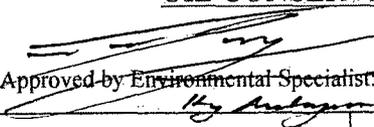
Describe Cause of Problem and Remedial Action Taken.*

Water transfer pump failed, as did the in-field telemetry, allowing the water tank to overflow into the secondary containment area. The release impacted an area within secondary containment measuring approximately 65-ft x 30-ft. Infiltration was limited due to hard packed soil and clay underlying the facility and most of the fluid was recovered.

Describe Area Affected and Cleanup Action Taken.*

All released fluids were contained within the secondary containment berm. A vacuum truck was used to recover most of the fluid released. The recovered water was taken to disposal and oil was returned to the production tank. Approximately 15 cubic yards of affected pea gravel and soil was excavated for offsite disposal at the Gandy Marley landfarm. Confirmation soil samples were collected at four locations within the impacted area and analyzed for chlorides, TPH, and BTEX. Each of the samples was composited from ground surface to a depth of approximately one-ft bgs. The analytical results are summarized on the following page and the laboratory report and chain of custody form are attached.

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: Patrick Flynn	Approved by Environmental Specialist: 	
Title: Vice President	Approval Date: 1-22-15	Expiration Date: _____
E-mail Address: pflynn@resoluteenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 1/21/15	Phone: 303.534.4600 X1145	IRP 3958

JAN 27 2015