

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

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company J. Cleo Thompson LP	Contact Jim Stevens
Address P.O. Box 12577 Odessa, TX 79768	Telephone No. 432-550-8887 Email jctwest@nts-online.net
Facility Name Milnesand Unit # 133	Facility Type Milnesand Unit # 133

Surface Owner Orbis Luman	Mineral Owner	Lease No.
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LOCATION OF RELEASE API # 30025/00430000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	Court
G	7	8S	35E					Roosevelt

Latitude 33°37'55.9" Longitude 103°23'47.8"

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 110 bbls +	Volume Recovered 0
Source of Release Corrosion of Flow Line	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 9-6-05
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
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.* Corrosion of Flow Line causing produced water to impact soil. Clamped Flow line. Contacted Elke Environmental on 9-28-06 to clean up affected area. Eight core samples have been taken and sent to lab. Water levels from USGS show to be 85 feet deep. Landowner found leak and cover up water and never told company.		
Describe Area Affected and Cleanup Action Taken.* Spill area is approximately 55'x456'. Elke is proposing to dig and haul to Jay-Dan landfill in Lovington, NM with contaminated material to a threshold of 1,000ppm or to solid rock, then Backfill with Material on site.		

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.

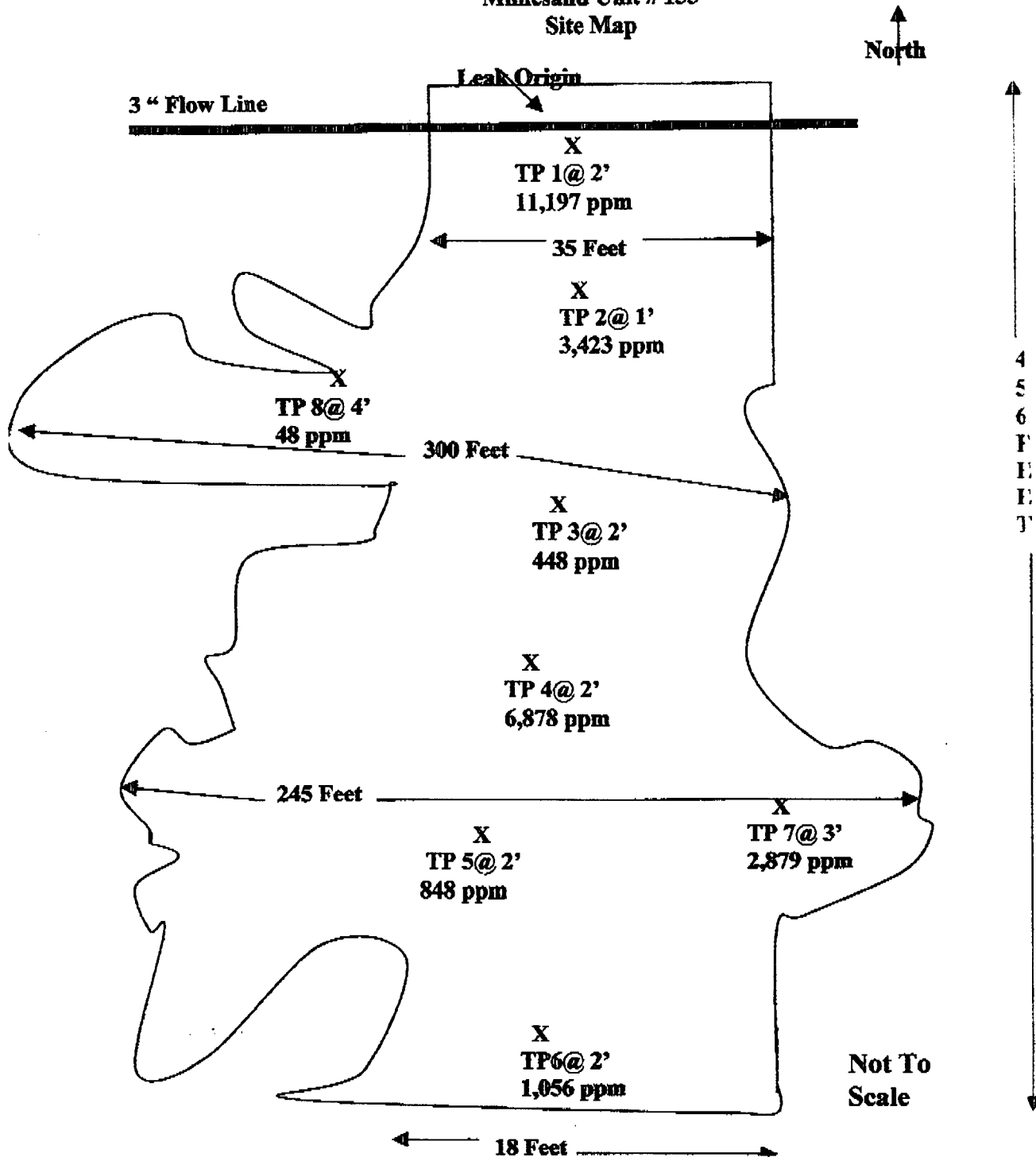
Signature: <u>Kim Baker</u>	OIL CONSERVATION DIVISION	
Printed Name: Kim Baker	Approved by District Supervisor:	
Title: Field Supervisor	Approval Date:	Expiration Date:
E-mail Address: elkeen@yaho.com	Conditions of Approval:	

Incident - NPAC0627638255
application - NPAC0627638438

Attached: RP#1025

J. Cleo Thompson & James Cleo Thompson Jr., LP
Oil Producers
117 West Yukon Road
P.O. Box 12577
Odessa, TX 79768

Milnesand Unit # 133
Site Map




**ARDINAL
LABORATORIES**
Kim Barker

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
J. CLEO THOMPSON
ATTN: JOHN HUGHES
P.O. BOX 12577
ODESSA, TX 79768
FAX TO: (432) 366-0743

Receiving Date: 09/13/06
Reporting Date: 09/14/06
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Analysis Date: 09/13/06
Sampling Date: 09/13/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/kg)
H11528-1	#1 1 FT	10477
H11528-2	#1 2 FT	11197
H11528-3	#2 1 FT	3423
H11528-4	#3 1 FT	288
H11528-5	#3 2 FT	448
H11528-6	#4 1 FT	2655
H11528-7	#4 2 FT	6878
H11528-8	#5 2 FT	848
H11528-9	#6 2 FT	1056
H11528-10	#7 3 FT	2879
H11528-11	#8 4 FT	48
Quality Control		980
True Value QC		1000
% Recovery		98
Relative Percent Difference		3.0

METHOD: Standard Methods

4500-Cl⁻B

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

Hope S. Morrow
Chemist

09-14-06
Date

H11528

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
 (945) 673-7001 Fax (945) 673-7020 (505) 393-2328 Fax (505) 393-2478

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 2

ANALYSIS REQUEST

BILL TO

P.O. #

Company: Same

Attn:

Address:

City:

State:

Zip:

Phone #:

Fax #:

Project Name:

Project Location:

Sampler Name:

FOR LAB USE ONLY

Lab I.D.

Sample I.D.

(G)RAB OR (C)OMP.

CONTAINERS

GROUNDWATER

WASTEWATER

SOIL

CRUDE OIL

SLUDGE

OTHER:

ACID/BASE:

ICE / COOL

OTHER:

DATE

TIME

REMARKS:

Phone Result: ☐ Yes ☐ No Add'l Phone #:Fax Result: ☐ Yes ☐ No Add'l Fax #:

RECEIVED BY: (Lab Staff)

Date: 09-13-06

Time: 1:45

Sample Condition

Cool Intact?

Yes ☐ No ☐

CHECKED BY: (Initials)

Delivered By: (Circle One)

Sample - UPS - Bus - Other:

Cardinal cannot accept verbal changes. Please fax written changes to 805-393-2478.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
 (915) 673-7004 Fax (915) 673-7020 (505) 943-2928 Fax (505) 343-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 2 of 2

Company Name: J. C. Thompson P.O. #: 81110 ANALYSIS REQUEST

Project Manager: TERRY THOMPSON Company:

Address: P.O. Box 12599 State: TX Zip: 79768 City: Abilene

Phone #: 432-550-8889 Fax #: 432-966-0943 Address: SPARK

Project #: Project Owner: City:

Project Name: State: Zip:

Project Location: Phone #:

Sampler Name: Fax #:

FOR LAB USE ONLY

Lab I.D. Sample I.D.

211528-11 #8 4FT (G)RAB OR (C)OMP. # CONTAINERS

GROUNDWATER WASTEWATER SOIL CRUDE OIL SLUDGE OTHER :

ACID/BASE: ICE / COOL OTHER :

DATE TIME

09/30/06 10:00

Relinquished By: John P. Hinkle Date: 10/1/06 Received By: (Lab Staff) Steve S. M. Davis

Delivered By: (Circle One) Yes Sample Condition Good Intact Yes Checked By: (Initials)

Sampler - UPS - Bus - Other: UPS

REMARKS:

Phone Result: ☐ Yes ☐ No Add'l Phone #:

Fax Result: ☐ Yes ☐ No Add'l Fax #:

† Cardinal cannot accept verbal changes. Please fax written changes to 805-393-2476.

FAX MESSAGE

From:

Elke Environmental, Inc.

P.O. Box 14167

Odessa, Tx. 79768-4167

Phone: 432-366-0043 Fax: 432-366-0884

From: KIM BAKER

To: LARRY JOHNSON

Fax #: 505-393-0720

Date: 10-1-06

No. of pages (incl. cover): 6

Comments:

Confidentiality Notice

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OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	J. Cle Thompson	Contact	John P. Hughes
Address	Box 12577 Odessa Tx 79768	Telephone No.	432-550-8887
Facility Name	Milnesand Unit	Facility Type	Well #2

Surface Owner	Orbie Luman	Mineral Owner	State	Lease No.	
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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
	7	8S	34E		SW		SE	Roosevelt

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	1 BBL	Volume Recovered	0
Source of Release	Flowline	Date and Hour of Occurrence		Date and Hour of Discovery	9-24-06
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	2:00 P.M.		
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.*

Flow line leak, repaired

Describe Area Affected and Cleanup Action Taken.*

10 ft x 10 ft

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Signature: John P. Hughes		OIL CONSERVATION DIVISION	
Printed Name: John P. Hughes		Approved by District Supervisor:	
Title: Foreman		Approval Date:	Expiration Date:
E-mail Address:	432-550-8887	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9-24-06	Phone: 432-634-8403	LATER	

* Attach Additional Sheets If Necessary

505-760-9558

IRP-1025

GENERAL WELL IN AREA
CHLORIDES - 130,000 PPM
9-5-06 - 11:30-11:45 TALK w/ JOHN
WASTEWATER PLAN - NE TO SUBMIT
(HAS 3 SAMPLES ON WAY TO CARBONATE)