

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

228051

Release Notification and Corrective Action

30 015 28203

OPERATOR

☒ Initial Report ☐ Final Report

| | |
|--|-------------------------------------|
| Name of Company: Americo Energy Resources | Contact: Don Gray |
| Address: 7575 San Filipe Ste 200, Houston Tx 77063 | Telephone No.: 713-984-9700 |
| Facility Name: ESU # 72 - | Facility Type: Injection water line |

| | | |
|--------------------|--------------------|---------------------|
| Surface Owner: BLM | Mineral Owner: BLM | Lease No.: LC-03473 |
|--------------------|--------------------|---------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|------------------|---------------|------------------------|---------------------------|------------------------|------------------------|----------------|
| Unit Letter L | Section 35 | Township 18-S | Range 31-E | Feet from the 1650' | North/South Line South | Feet from the 1150' | East/West Line West | County Eddy |
|------------------|---------------|------------------|---------------|------------------------|---------------------------|------------------------|------------------------|----------------|

Latitude 32.701350 Longitude 103.844550

NATURE OF RELEASE

| | | |
|---|---|--|
| Type of Release: Produced water and skim oil | Volume of Release: ~505 bbl | Volume Recovered: 240 bbl |
| Source of Release: 2' Trunk Line | Date and Hour of Occurrence: 10/5/07 | Date and Hour of Discovery: 10/5/07 |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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.*

N/A

Describe Cause of Problem and Remedial Action Taken.*
Failure of the trunk line. The line was closed in.

Describe Area Affected and Cleanup Action Taken.*
The spill affected approximately 4,732 sq.ft. SESI has been contacted to delineate and compose workplan

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: <i>Jerri Lee</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Jerri Lee | Approved by District Supervisor: <i>T. Gunn by SB</i> | |
| Title: Consultant/SESI | Approval Date: <i>2-5-08</i> | Expiration Date: |
| E-mail Address: office@sesi-nm.com | Conditions of Approval: <i>REMEDATION</i> | Attached <input type="checkbox"/> |
| Date: 1-31-08 Phone: 575-397-0510 | <i>Plan Due 3-5-08</i> | |

* Attach Additional Sheets If Necessary

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