

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	Saber Resources, Inc.	Contact	Doug Keathley
Address	400 W. Illinois, Suite 950, Midland, TX 79701	Telephone No.	(432) 685-0169
Facility Name	Pitts-Kendrick #1	Facility Type	Tank Battery
Surface Owner	Tommy Burress	Mineral Owner	Fee Lease – Various Owners
		API No. 30-025-31152	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	5	12S	38E	1500	South	1650	East	Lea

Latitude N 33 deg. 30457' **Longitude** W 103 deg. 11613'

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	5 bbl	Volume Recovered	3
Source of Release	Separator	Date and Hour of Occurrence	1/13/08 @ unknown time	Date and Hour of Discovery	1/14/08 @ 1330
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required				
By Whom?	If YES, To Whom?				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
		Date and Hour			
		If YES, Volume Impacting the Watercourse.			

RECEIVED

MAR 10 2008

HOBBS OCD

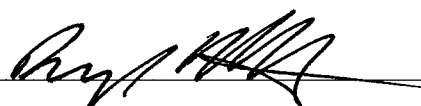
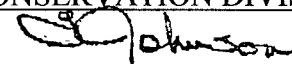
Describe Cause of Problem and Remedial Action Taken.*

Separator overflowed. Spill was contained on wellpad. Approximately 3 bbl of fluid was removed from the site by vacuum truck. Impacted soil was excavated from the current spill area, as well as historical spill areas, and hauled to an NMOCD approved disposal facility.

Describe Area Affected and Cleanup Action Taken.*

An area approximately 52' x 70' within the well pad area was excavated until final confirmation samples reported chloride concentrations less than 250 mg/kg. The area on the wellpad was backfilled with clean soil. Depth to groundwater is at approximately 32' bgs.

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: Doug Keathley		Approved by District Supervisor 	
Title: Vice President of Operations		ENVIRONMENTAL ENGINEER	
E-mail Address: Doug@SaberResources.com		Approval Date: 3.18.08	Expiration Date: —
Date: 2/25/08 Phone: (432) 685-0169		Conditions of Approval:	
		Attached <input type="checkbox"/> 1 RP# 1815	

* Attach Additional Sheets If Necessary

PCAD 807940368

OCOTILLO
ENVIRONMENTAL

PROJECT NO.:
0108-043R

NAME:
MAC

DATE:
3-12-08

Site Location



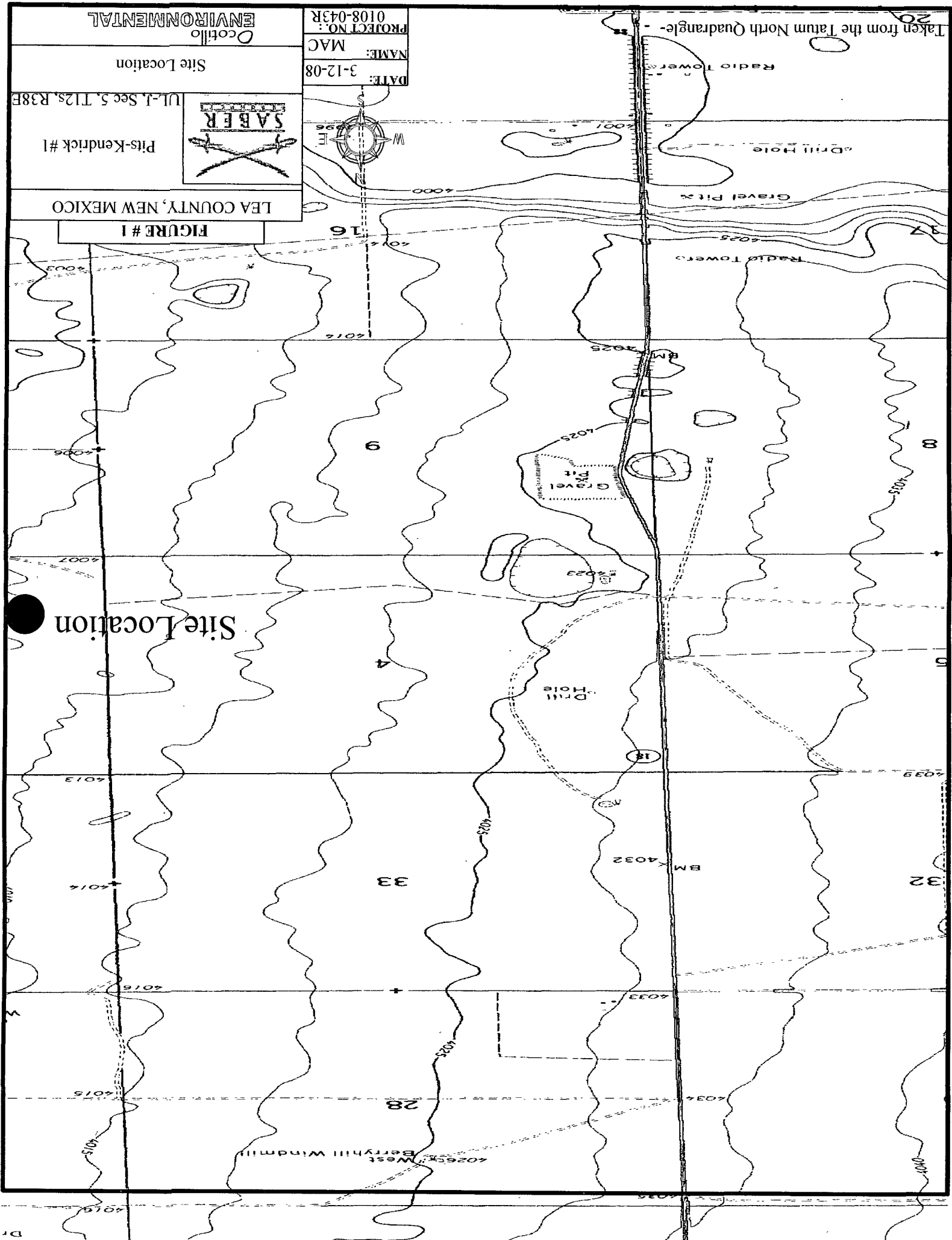
Pits-Kendrick #1

UL-J, Sec 5, T12S, R38E

LEA COUNTY, NEW MEXICO

FIGURE #1

Taken from the Tatum North Quadrangle -



Site Location

18

BM 4032

33

28

West Berryhill Windmill

Gravel Pit

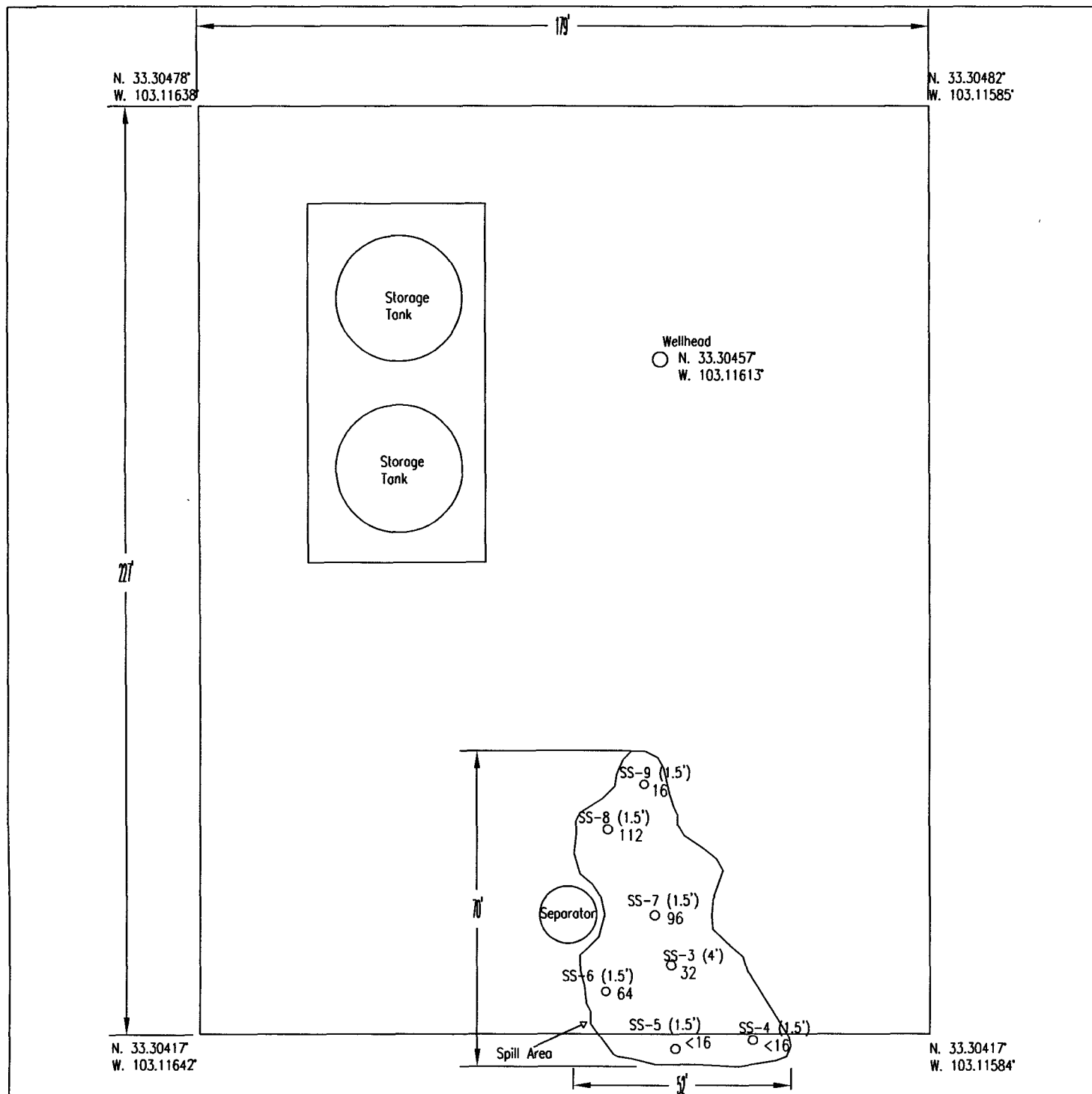
Drill Hole

Radio Towers

Radio Towers

Gravel Pit

Drill Hole

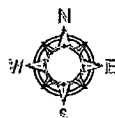


Soil Sample Coordinates

SS-3	N.33.30225'	W.103.11729'
SS-4	N.33.30416'	W.103.11611'
SS-5	N.33.30411'	W.103.116240'
SS-6	N.33.30417'	W.103.11629'
SS-7	N.33.30424'	W.103.11633'
SS-8	N.33.30428'	W.103.11633'
SS-9	N.33.30434'	W.103.11624'

LEGEND

SS-3 (4') Soil Sample Location With Depth (feet)
32 and Chloride Concentration (mg/kg)



Date: 3-10-08
Name: JTC
Project Number:
0108-043R

Figure #2

Lea County, New Mexico

Saber Resources
Pitts - Kendrick #1
UL-J, Sec. 5, T12S, R38E

Site Drawing with Boring and
Sample Locations
(not to scale)

Ocotillo
ENVIRONMENTAL

Table 1:
Summary of Laboratory Analysis of Soil Samples
Saber Resources, Inc.
Pitts-Kendrick #1
Unit Letter J, Section 5, Township 12 South, Range 38 East
Lea County, New Mexico

Sample Date	Soil Sample Number	Sample Depth (feet BGS)	Chloride (mg/kg)	Soil Status
OCD Standard			250	
1/30/08	Point 1 SS-1	0	1,410	Excavated
1/30/08	Point 1 SS-2	2	32	In Situ
1/30/08	Point 1 SS-3	4	32	In Situ
2/13/08	SS-4	1.5	<16	In Situ
2/13/08	SS-5	1.5	<16	In Situ
2/13/08	SS-6	1.5	64	In Situ
2/13/08	SS-7	1.5	96	In Situ
2/13/08	SS-8	1.5	112	In Situ
2/13/08	SS-9	1.5	16	In Situ

Notes:

1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL, LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

Receiving Date: 01/30/08
Reporting Date: 01/30/08
Project Owner: SABER (0108-043R)
Project Name: HENDRICK BATTERY
Project Location: LEA COUNTY, NM

Analysis Date: 01/30/08
Sampling Date: 01/30/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: AB
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/kg)
H14183-1	POINT #1 SS-1 @ 0'	1,410
H14183-2	POINT #1 SS-2 @ 2'	32
H14183-3	POINT #1 SS-3 @ 4'	32
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods	4500-ClB
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Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date _____

H14183 OCO



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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 the client for the 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 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 cannot accept verbal changes. Please fax written changes to 505-393-2476

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL, LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

Receiving Date: 02/13/08
Reporting Date: 02/13/08
Project Owner: SABER (0108-043R)
Project Name: PITS KENDRIX
Project Location: LEA COUNTY, NM

Analysis Date: 02/13/08
Sampling Date: 02/13/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: KS

LAB NO.	SAMPLE ID	Cl ⁻ (mg/kg)
H14256-1	SS-4 @ 1.5'	< 16
H14256-2	SS-5 @ 1.5'	< 16
H14256-3	SS-6 @ 1.5'	64
H14256-4	SS-7 @ 1.5'	96
H14256-5	SS-8 @ 1.5'	112
H14256-6	SS-9 @ 1.5'	16
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods

4500-CIB

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

Kirsten Suptak
Chemist

02/13/08
Date

H14256 OCO



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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 the client for the 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 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.

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