

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 <u>Primero Operating, Inc.</u>	Contact <u>Phelps White</u>
Address <u>PO Box 1433</u>	Telephone No. <u>505 626 7660</u>
Facility Name <u>Jennings Com #1</u>	Facility Type <u>Tank Battery</u>

Surface Owner	Mineral Owner	Lease No. <u>30.005.0047e</u>
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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
A	5	8S	30E	660	S	660	W	Chaves

Latitude N 33 38 Longitude W 103 51

NATURE OF RELEASE

Type of Release <u>Produced Water</u>	Volume of Release <u>150 gal</u>	Volume Recovered <u>0</u>
Source of Release <u>Tank Overflow</u>	Date and Hour of Occurrence	Date and Hour of Discovery <u>3/5/08</u>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>NMOCD and Primero</u>	
By Whom? <u>Maxey Brown</u>	Date and Hour <u>3/5/08</u>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	

RECEIVED

MAY 16 2008

HOBBS OGD

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Overflow of water storage tank. Remedial action was to empty tank and haul water to SWD. A dyke was built around the tank to control any future problems. The contaminated soil was picked up and hauled to Gandy Marley Comercial Land farms.

Describe Area Affected and Cleanup Action Taken.*
The area is immediately East of teh tank and was approximately 2' wide by 50' in length. A truckload of soil was taken to Gandy Marley Commercial Land Farms. A soil samples were taken underlying the spill and all were less than 1000 ppm clorides. Soil analysis was done by Cardinal Laboratories in Hobbs, see attached analytical Results dated 4/8/08. 250

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: <u>Phelps White</u>	Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: <u>President</u>	Approval Date: <u>5.8.08</u>	Expiration Date: <u> </u>
E-mail Address: <u>pwiv@zianet.com</u>	Conditions of Approval:	Attached <input type="checkbox"/> <u>1 RP# 1854</u>
Date: <u>5/4/08</u> Phone: <u>575 626 7660</u>		

* Attach Additional Sheets If Necessary

PCAO 812 940107



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Jennings #1

ANALYTICAL RESULTS FOR
PRIMERO OIL
ATTN: RAY MELTON
P.O. BOX 1433
ROSWELL, NM 88202

Receiving Date: 04/08/08
Reporting Date: 04/09/08
Project Number: NOT GIVEN
Project Name: ~~NOT GIVEN~~ JENNINGS Com #1
Project Location: ~~NOT GIVEN~~ SEC 5, 85, 30E

Analysis Date: 04/09/08
Sampling Date: 04/08/08
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H14604-1	NORTH	<16
H14604-2	EAST	< 16
H14604-3	SOUTH	32
H14604-4	WEST	< 16
H14604-5	MIDDLE	128
Quality Control		490
True Value QC		500
% Recovery		98.0
Relative Percent Difference		< 0.1

METHOD: Standard Methods 4500-ClB

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

Ray S. Melton
Chemist

04-09-08
Date

H14604 PRIMERO OIL

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 analyses. 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. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page ____ of ____

Company Name: <u>Primeco Oil</u>		BILL TO		ANALYSIS REQUEST											
Project Manager: <u>Ray Melton</u>		P.O. #:													
Address: <u>PO Box 1433</u>		Company:													
City: <u>Roswell</u> State: <u>NM</u> Zip: <u>88202</u>		Attn:													
Phone #: <u>575-660-9852</u> Fax #:		Address:													
Project #: _____ Project Owner:		City:													
Project Name:		State: _____ Zip: _____													
Project Location:		Phone #:													
Sampler Name:		Fax #:													

FOR LAB USE ONLY		G/RAB OR (C)OMP.	# CONTAINERS	MATRIX							PRESERV.			SAMPLING		DATE	TIME
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	ACID/BASE:	ICE / COOL	OTHER :					
<u>H14604-1</u>	<u>North</u>	<u>G</u>	<u>1</u>			<u>X</u>								<u>4/8/08</u>		<u>11/11/08</u>	
<u>-2</u>	<u>East</u>	<u>G</u>	<u>1</u>			<u>X</u>											
<u>-3</u>	<u>South</u>	<u>G</u>	<u>1</u>			<u>X</u>											
<u>-4</u>	<u>West</u>	<u>G</u>	<u>1</u>			<u>X</u>											
<u>-5</u>	<u>Middle</u>	<u>G</u>	<u>1</u>			<u>X</u>											

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Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished By: <u>[Signature]</u>		Date: <u>4/8/08</u>	Received By: <u>[Signature]</u>		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:	
Relinquished By: <u>[Signature]</u>		Time: <u>3:50</u>	Received By: <u>[Signature]</u>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Temp.:	Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No	CHECKED BY: (Initials) <u>MLB</u>			REMARKS: <u>Call Ray w/results please 575-660-9852</u>

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.