

RECEIVED JUL 07 2010

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

30-015-25373

Release Notification and Corrective Action

TKMLW

OPERATOR

Initial Report Final Report

Name of Company: Tandem Energy Corporation 236183	Contact: Rumaldo Hinojosa
Address: 11490 Westheimer Rd. Ste.1000 Houston Tx. 77077	Telephone No. 575-626-9969
Facility Name: Magnolia State #2	Facility Type: Oil Tank Battery

Surface Owner	Mineral Owner	Lease No.305382
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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
N	6	19S	28E	300	PSL	2610	FWL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Crude OIL	Volume of Release: 69 bbls.	Volume Recovered: 49 bbls.
Source of Release: Oil Tank	Date and Hour of Occurrence 7/6/10 midnight till 7:52 Am 7/7/10	Date and Hour of Discovery: 7/7/10 7:52 A.M.
Was Immediate Notice Given? Required <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not	If YES, To Whom? Left Phone message to: Mike Bratcher Artesia N.M. Emergency Ext 104 Left Message	
By Whom? Rumaldo Hinojosa	Date and Hour: 7/7/10 12:17 P.M.	
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.* Leak in bottom of oil tank, vacuumed up spill emptied oil tank build fence to keep any possible livestock out.		
Describe Area Affected and Cleanup Action Taken.* Battery site approximately area of spill 135 X 180 Will have OCD look at area, Phoenix Environmental LLC to remediate affected area		

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: <i>Rumaldo Hinojosa</i>	OIL CONSERVATION DIVISION	
Printed Name: Rumaldo Hinojosa	Approved by District Supervisor	Signed By: <i>Mike Bratcher</i>
Title: West Texas Production Superintendent	Approval Date: <i>3/9/11</i>	Expiration Date:
E-mail Address: rumaldohinojosa@yahoo.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	Attached <input type="checkbox"/>
Date: July 7, 2010 Phone: 575-626-9969	<i>4/9/11</i>	

* Attach Additional Sheets If Necessary

PROPOSAL NOT LATER THAN:

2RP-510

Bratcher, Mike, EMNRD

From: Rumaldo Hinojosa [rumaldohinojosa@yahoo.com]
Sent: Wednesday, July 07, 2010 12:48 PM
To: Bratcher, Mike, EMNRD
Subject: Oil Spill

Magnolia State #2 Battery, hole in oil tank,lost 69 bbls. of oil recovered 40 bbls. of oil
N-6-19S-28E
API 30-015-25373
Will put fence around affected area

Rumaldo Hinojosa
Tandem Energy Corporation
575-626-9969

Bratcher, Mike, EMNRD

From: Rumaldo Hinojosa [rumaldohinojosa@yahoo.com]
Sent: Wednesday, July 07, 2010 2:49 PM
To: Bratcher, Mike, EMNRD
Subject: Magnolia State #2 C-141 Form
Attachments: scan0004.pdf

Attached is OCD C-141 Form
Any Question Please Call, would like to start remediation as soon as possible.

Rumaldo Hinojosa
Tandem Energy Corporation
575-626-9969