

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

Form C-141  
Revised October 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

30-015-34622

Release Notification and Corrective Action

nMLB 0931031581

OPERATOR

Initial Report  Final Report

|  |                              |
|--|------------------------------|
| Name of Company BTA Oil Producers LLC.       | Contact                      |
| Address 104 S. Pecos, Midland, TX 70701      | Telephone No.                |
| Facility Name Pardue -B-8808 JV-P #005       | Facility Type Producing well |
| Surface Owner Greg Martinez/Melinda Thompson | Mineral Owner                |
| Lease No.                                    |                              |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| K           | 11      | 23s      | 28e   | 2220          | South            | 2310          | West           | Eddy   |

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

|  |   |   |
|--|---|---|
| Type of Release Minor, produced oil  | Volume of Release   | Volume Recovered                                |
| Source of Release Pinhole in flow line.  | Date and Hour of Occurrence<br>8:00am 09/15/2009                                | Date and Hour of Discovery<br>8:30am 09/15/2009 |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required   | If YES, To Whom?<br>Left msg. for Mike Bratcher, NMOCD Artesia District office. |   |
| By Whom? Pam Inskeep   | Date and Hour 2:45 pm, 09/15/2009   |   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse.                                       |   |
| If a Watercourse was Impacted, Describe Fully.*<br><br>N/A   |   |   |
| Describe Cause of Problem and Remedial Action Taken.*  |   |   |
| Describe Area Affected and Cleanup Action Taken.*<br><br>Talon/LPE was contracted for the correction of the release. Please see final closure report dated October 28, 2010.   |   |   |
| 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. |   |   |

OIL CONSERVATION DIVISION

|   |   |                      |
|---|---|----------------------|
| Signature: <i>Mike Stubblefield</i>                               | Approved by Division <i>Signed By Mike Bratcher</i> |                      |
| Printed Name: Mike Stubblefield                                   | Approval Date: 3/23/2011                            | Expiration Date: N/A |
| Title: Talon/LPE Project Manager/Agent for BTA Oil Producers LLC. | Conditions of Approval: N/A                         |                      |
| E-mail Address: mstubblefield@talonlpe.com                        | Attached <input type="checkbox"/>                   |                      |
| Date: 10/28/2010  | Phone:  |                      |

\* Attach Additional Sheets If Necessary

JRP-363