

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

nAB1605752948

**OPERATOR**

Initial Report  Final Report

|                 |                                     |               |                        |
|-----------------|-------------------------------------|---------------|------------------------|
| Name of Company | Finley Resources, Inc.              | Contact       | Jim Nance              |
| Address         | 1308 Lake St., Fort Worth, TX 76102 | Telephone No. | (817) 832-3631 (cell)  |
| Facility Name   | Toothman Gas Comm #1                | Facility Type | Gas Production Battery |
| Surface Owner   | Mark Encisco                        | Mineral Owner | API No. 30015215660    |

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| L           | 25      | 21S      | 27E   | 1980          | South            | 660           | West           | Eddy   |

**Latitude** 32.449068 **Longitude** -104.148929

**NATURE OF RELEASE**

|   |   |   |         |                            |      |
|---|---|---|---------|----------------------------|------|
| Type of Release   | unknown at present  | Volume of Release                         | unknown | Volume Recovered           | none |
| Source of Release   | unknown at present  | Date and Hour of Occurrence               |         | Date and Hour of Discovery |      |
| Was Immediate Notice Given?   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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.*   |   |   |         |                            |      |
| Describe Cause of Problem and Remedial Action Taken.*   |   |   |         |                            |      |
| FRI production tank experienced recent pin-hole leak in weld on steel tank (condensate collection tank) at +10' level. Ground evidence of past leaks. Investigation under FRI tanks indicates presence of hydrocarbons. Tanks removed and set aside to facilitate sampling and excavation |   |   |         |                            |      |
| Describe Area Affected and Cleanup Action Taken.*   |   |   |         |                            |      |
| Remediation plan in development.  |   |   |         |                            |      |

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:      |  | <u>OIL CONSERVATION DIVISION</u>                                   |                  |
| Printed Name:   | James L. Nance  | Approved by Environmental Specialist: <i>MBratcher</i>             |                  |
| Title:          | Manager of Operations   | Approval Date: 3/23/2016   | Expiration Date: |
| E-mail Address: | jim.nance@finleyresources.com   | Conditions of Approval: Remediation per NMOCD Rules and Guidelines |                  |
| Date:           | 2/23/16   | Phone:   | (817) 231-8727   |
|                 |   | Attached <input type="checkbox"/>                                  |                  |

\* Attach Additional Sheets If Necessary

2RP-3568

NOTE: See related documents in 2RP-3461  
Joint operator remediation