

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

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Murchison Oil & Gas, Inc.	Contact	Greg Boans
Address	7250 Dallas Parkway, Suite 1400, Plano, TX 75024	Telephone No.	(575) 628-3932
Facility Name	War Horse Fed Com #3H	Facility Type	Production Battery
Surface Owner	Concho Resources	Mineral Owner	BLM
		API No.	30-015-41227

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	21	18S	29E	2290	South	175	East	Eddy

Latitude 32° 43' 55.195" N Longitude 104° 04' 18.317" W

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	35 bbls	Volume Recovered	30 bbls
Source of Release	Heater treater	Date and Hour of Occurrence	6/19/2015, before 10:00 am	Date and Hour of Discovery	6/19/2015 10:00 am
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Heather Patterson			
By Whom?	Kristin Pope	Date and Hour	6/22/2015 12:45 pm		
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.*
 n/a

Describe Cause of Problem and Remedial Action Taken.*

Fluid was lost due to a failure of a fire tube gasket on the heater treater. Within 1 hour of discovery, a vacuum truck removed standing fluid. The gasket was replaced.

Describe Area Affected and Cleanup Action Taken.*

Produced water and oil was released from the heater treater, affecting approximately 6,325 ft², all of which remained on the location pad. Soil moisture indicated that penetration was ¼-½ inch deep, chloride field tests on 2-in-deep samples confirmed. The affected material from the surface of the release footprint was excavated and transported to a permitted disposal facility. The excavated material was replaced with clean caliche pad material.

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: Greg Boans	Approved by Environmental Specialist:		
Title: Production Superintendent	Approval Date: 4/5/2016	Expiration Date: N/A	
E-mail Address: gboans@jdmii.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 7/17/2015	Phone: (575) 628-3932	FINAL	