

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

Form C-141
Revised August 8, 2011

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

nJMW 1322842248

OPERATOR

Initial Report Final Report

Name of Company <i>Slayton Resources Inc. 196015</i>	Contact <i>Jim Higgins</i>
Address <i>P. O. Box 2035, Roswell, NM 88202-2035</i>	Telephone No. <i>575-623-7184</i>
Facility Name <i>Diablo State</i>	Facility Type <i>Produced Water Tank</i>

Surface Owner	Mineral Owner <i>State of New Mexico</i>	API No. <i>30-005-00246</i>
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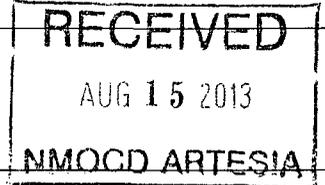
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	16	10S	27E	660	South	660	East	Chaves

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>Water Tank Overflow</i>	Volume of Release <i>10 BBL</i>	Volume Recovered
Source of Release <i>Water Tank</i>	Date and Hour of Occurrence <i>8/9/13 AM</i>	Date and Hour of Discovery <i>8/9/13 11 AM</i>
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.*
Failed to open the valve from the produced water tank to the transfer pump after doing work at the lease. This caused the water tank to overflow with the oil residue that is floating on the top of the water. The guys were in the field when we received the call from the BLM that there was a problem. Within minutes the valve issue was found, the valve was opened and clean up began. Sand was spread to pick up and dry the spill.

Describe Area Affected and Cleanup Action Taken.*
Area: Sandy soil leading to dirt road. Clean-up: Remove contaminated soil down to clean soil. Contaminated soil is hauled to Gandy Marley waste disposal facility.
⊕ Note: Confirmation samples with lab analyses required for closure

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>A. D. Allison</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>A. D. Allison</i>	Approved by Environmental Specialist: Signed By <i>Mike Benavides</i>	
Title: <i>Vice-President</i>	Approval Date: <i>AUG 16 2013</i>	Expiration Date:
E-mail Address:	Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	Attached <input type="checkbox"/>

Date: *8/14/13* Phone: *575-623-7184*

September 16, 2013
2RP-1840

* Attach Additional Sheets If Necessary