

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**

nHMP1412135045

**OPERATOR**

Initial Report  Final Report

Name of Company	LRE Operating, LLC 281994	Contact	Michael Barrett
Address	1111 Bagby Street, Suite 4600, Houston, TX 77002	Telephone No.	575-623-8424
Facility Name	Staley State Battery (Well #1)	Facility Type	Production & Storage

Surface Owner	C.O.G.	Mineral Owner	State	API No.	30-015-32184
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**LOCATION OF RELEASE**

31284

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	30	17S	28E	660	North	1980	East	Eddy

Latitude 32.637158 Longitude 104.077749

**NATURE OF RELEASE**

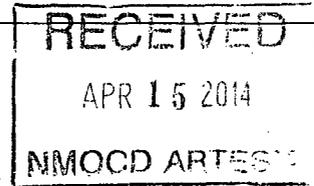
Type of Release	Oil & Produced Water	Volume of Release	18 Oil & 3 Wtr	Volume Recovered	7 Oil & 1 Wtr
Source of Release	Heater Treater Gasket	Date and Hour of Occurrence	4/5/14 pm	Date and Hour of Discovery	4/5/14 @ 8:45 pm
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	N/A	Date and Hour N/A			
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.\*

6x20 Heater treater gasket failed causing fluid to spray a large area of pasture with a fine mist. Picked up standing fluid. Replaced gasket.



Describe Area Affected and Cleanup Action Taken.\*

Standing fluid was mainly in bermed area of battery. Hand dug and hydro vac was used to remove contaminated soil around flow lines and equipment. Area that was covered by spray was treated 3 times with micro-blaze.

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:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Michael Barrett	Approved by Environmental Specialist:	
Title: Production Supervisor	Approval Date: 5/1/14	Expiration Date: NA
E-mail Address: mbarrett@limerockresources.com	Conditions of Approval: Remediation per OCD Rule & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL NO LATER THAN:</b>	
Date: 04/14/14 Phone: 575-623-8424	Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

6/1/14

2RP-2274