

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 June 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.

Release Notification and Corrective Action

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|-----------------------------|-------------------|-----------------------------|
| Name of Company | CBS Operating Corporation | Contact | M. A. Sirgo, III (Engineer) |
| Address | P.O. Box 2236 | Midland, TX 79702 | Telephone No. 432-685-0878 |
| Facility Name | North Square Lake Unit #147 | Facility Type | Production Well |

| | | | | |
|---------------|-----|---------------|-----|-----------|
| Surface Owner | BLM | Mineral Owner | BLM | Lease No. |
|---------------|-----|---------------|-----|-----------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from South Line | Feet from East Line | Longitude-W | Latitude-N | County |
|-------------|---------|----------|-------|----------------------|---------------------|----------------|---------------|--------|
| J | 32 | 16S | 31E | 1980 | 1980 | 103deg 53.396' | 32deg 52.572' | Eddy |

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|--|-----------------|----------------------------|-------|
| Type of Release | Crude Oil | Volume of Release | less than 5 bbl | Volume Recovered | 0 bbl |
| Source of Release | Wellhead | Date and Hour of Occurrence | Unknown | Date and Hour of Discovery | NA |
| Was Immediate Notice Given? | <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" 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 | | | |
| NA | | | | | |

If a Watercourse was Impacted, Describe Fully*

Describe Cause of Problem and Remedial Action Taken. *

Operational practices and packing leaks. Wellhead repairs and maintenance performed.

Describe Area Affected and Cleanup Action Taken. *

The area affected was the well pad around the pumping unit. Ocotillo Environmental LLC, Hobbs, NM contracted for remediation and site 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:

M. A. Sirgo, III

OIL CONSERVATION DIVISION

Printed Name:

M.A. Sirgo, III

TIM GUM

Approved by District Supervisor by MR *Mike Benema*

Title:

Engineer

Approval Date: 12/5/05

Expiration Date:

E-Mail Address:

mastres@aol.com

Conditions of Approval:

Date:

11/7/2005

Phone:

432-685-0878

☒ Attached

Ocotillo



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

CBS Operating Corporation
PO Box 2236
Midland TX 79702

December 5, 2005

Reference:

| | | |
|--------------------|--------------|-------------------|
| Federal M Unit 005 | J-31-17s-30e | API: 30-015-04410 |
| NSLU 172 | N-34-16s-31e | API: 30-015-04992 |
| NSLU 148 | I-32-16s-31e | API: 30-015-04956 |
| NSLU 165 | P-32-16s-31e | API: 30-015-04958 |
| NSLU 168 | O-33-16s-31e | API: 30-015-04974 |
| Federal L Unit 007 | D-31-17s-30e | API: 30-015-23213 |
| Cowtown Unit 101 | K-13-18s-28e | API: 30-015-01843 |
| NSLU 025 | A-29-16s-31e | API: 30-015-04913 |
| NSLU 164 | O-32-16s-31e | API: 30-015-04957 |
| NSLU 147 | J-32-16s-31e | API: 30-015-04959 |
| Federal Q Unit 002 | C-3-17s-30e | API: 30-015-04069 |

Operator,

The New Mexico Oil Conservation Division District II office (OCD) is in receipt of an Initial Report C-141 and Remediation Work Plan for cleanup/remediation of produced fluids releases that have occurred at the above referenced well sites. The documents were prepared and submitted by your agent, Ocotillo Environmental.

The Work Plans are accepted as presented with the following stipulations:

1. Notify the OCD District II office 24 hours prior to commencement of activities.
2. Notify the OCD District II office 24 hours prior to obtaining samples where analysis of samples obtained are to be submitted to the OCD.
3. Submit a Final Report C-141 to the OCD District II office upon satisfactory completion of each project.
4. Remediation work on all sites is to be completed by February 15, 2006.
5. Like approval by the Bureau of Land Management.

If I can be of assistance in this matter, my contact information is listed below.

Sincerely,

Mike Bratcher
NMOCD District II
1301 W. Grand Ave.
Artesia, NM 88210
(505) 748-1283 Ext 108
(505) 626-0857
Mike.Bratcher@state.nm.us

Cc: Ocotillo Environmental