

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

NM OIL CONSERVATION Form C-141
ARTESIA DISTRICT Revised August 8, 2011
APR 22 2016
Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

DAB/611654086 OPERATOR ☒ Initial Report ☒ Final Report

Name of Company Beach Exploration, Inc. <u>1903</u>	Contact Jack Rose
Address 800 N. Marienfeld, Suite 200, Midland, TX 79701	Telephone No. 432/683-6226
Facility Name Eastland Queen Unit	Facility Type Waterflood Central Battery

Surface Owner State	Mineral Owner State	API No. 30-015-25655 Unit Number: 300337
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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
D	I	19S	29E	990	North	990	West	Eddy

Latitude 32.6939° Longitude -104.0338°

NATURE OF RELEASE

Type of Release Fresh Water	Volume of Release Est. 210 bbl	Volume Recovered 160 bbl
Source of Release Fresh Water valve washed out	Date and Hour of Occurrence Est 4/20/16 7:15 a.m.	Date and Hour of Discovery 4/20/16 9:45
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Beach Exploration, Inc. from OCD	
By Whom? OCD	Date and Hour 4/20/16 10:00 a.m.	
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.* NA		
Describe Cause of Problem and Remedial Action Taken.* Inlet Fresh Water motor control valve was being repaired. Supply valve at Rockhouse fresh water well NW1/4 Sec. 3 19S 29E was pinched back as a valve at the battery was also to limit water entry. Someone opened the Rockhouse valve and all that volume washed out our battery valve.		
Describe Area Affected and Cleanup Action Taken.* Rockhouse supply valve was closed. The fresh water (full stream) comes in at 2000 BWPD. We estimate it was open 2.6 hrs spilling an estimated 215 bbl fresh water. We vacuumed up 160 bbl of fresh water. We also repaired our battery berm and cleaned up our sump.		
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.		
OIL CONSERVATION DIVISION		
Signature: <u>Jack M. Rose</u>	Approved by Environmental Specialist: <u>H. B. Rose</u>	
Printed Name: Jack M. Rose	Approval Date: <u>4/25/16</u>	Expiration Date: <u>NIA</u>
Title: Engineer	Conditions of Approval: <u>closure pending</u>	
E-mail Address: bmartin@beachexp.com	Attached <input type="checkbox"/>	
Date: 4/22/2016 Phone: 432/683-6226		

* Attach Additional Sheets If Necessary

OLD inspection
Remediation per O.C.D. Rules & Guidelines
SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 5/26/16 3659