

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  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised October 10, 2003

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

### Release Notification and Corrective Action

30-015-28204

#### OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Americo Energy Resources, LLC	Contact	Oscar Nosrati
Address	7575 San Felipe, Ste. 200, Houston, TX 77063	Telephone No.	713-984-9700
Facility Name	East Shugart Unit Well #75	Facility Type	Injection Well
Surface Owner	BLM	Mineral Owner	BLM
		Lease No.	

#### LOCATION OF RELEASE

Unit Letter A	Section 35	Township 18 S	Range 31 E	Feet from the 2,560	North/South Line South	Feet from the 1,350	East/West Line West	County Eddy
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Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

#### NATURE OF RELEASE

Type of Release	Produced water with slight oil cut	Volume of Release	350 bbls.	Volume Recovered	200 bbls.
Source of Release	Blown 'Y' strainer valve near injection wellhead	Date and Hour of Occurrence	12/14/2007 2:00 am	Date and Hour of Discovery	12/14/2007 12 noon
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES To Whom?	Mike Bratcher		
By Whom?	Larry Wood	Date and Hour	12/14/2007 3:00 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 \*

Describe Cause of Problem and Remedial Action Taken. \*

The drain/bleed valve and its nipple blew off the injection line 'Y' strainer. The valve and nipple have been replaced.

Describe Area Affected and Cleanup Action Taken. \*

An approximate area of 75' by 400' was affected by the release. A vacuum truck was brought onsite to remove recoverable liquids. Soil will be cleaned and tilled.

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: <i>Jeffrey Alan Keese</i>	Approved by District Supervisor: <i>[Signature]</i>	
Printed Name: Jeffrey Alan Keese	Approval Date: JAN 07 2008	Expiration Date:
Title: Senior Engineer	Conditions of Approval:	Attached <input type="checkbox"/>
E-mail Address: alan.keese@americoenergy.com		
Date: 12/21/2007	Phone: 713-984-9700	

\* Attach Additional Sheets If Necessary