District 1 1625 N French Dr , Hobbs, NM 88240 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

1301 W Grand Avenue, Artesia, NM 88210 1220 S St Francis Dr, Santa Fe, NM 87505

| Release Notification and Corrective Action | | | | | | | | | | | | | |
|---|--|---|--|---|---------------------------------|---|---|------------------------------------|--|--|-----------------------------|--|--|
| | | | | | | OPERATOR | | | ☐ Initial Report 🗵 Final Repo | | | Final Report | |
| Name of Company GP II Energy, Inc. | | | | | | Contact Joe Compton | | | | | | | |
| Address PO Box 50682 Facility Name BO Federal Tank Battery | | | | | | Telephone No. 432-684-8964 Facility Type Lease Oil Separation and Storage | | | | | | | |
| | | | | | | | | | | | | | |
| Surface Owner Federal Mineral Owner | | | | | | Federal | | | | Lease No. NM-71599 | | | |
| <u> 30 </u> | | 3748 | | | | N OF RELEASE | | | | | | | |
| Unit Letter | Section | Township | Range | Feet from the | North | South Line Feet from the East/West Line County | | | | | | | |
| A | 34 | 26-S | 29-E | 724 | N | 660 | | | Eddy | | | | |
| Latitude 32.003403 Longitude -103.966101 | | | | | | | | | | | | | |
| NATURE OF RELEASE | | | | | | | | | | | | | |
| Type of Rele | ase Produc | Volume of Release 20 Bbls Volume Recovered | | | | | | | | | | | |
| Source of Release Tank Battery | | | | | | | | | | d Hour of Discovery | | | |
| Was Immediate Notice Given? | | | | | | 2-3-08 2-3-08 If YES, To Whom? | | | | | | | |
| ✓ Yes ☐ No ☐ Not Required | | | | | | Jim Amos w/BLM | | | | | | | |
| By Whom? Joe Compton | | | | | | Date and Hour | | | | | | | |
| Was a Watercourse Reached? ✓ Yes ☐ No | | | | | | If YES, Volume Impacting the Watercourse. 20 | | | | | | | |
| If a Watercourse was Impacted, Describe Fully.* Tank Battery is located on a hill adjacent to a lease road. The spill flowed down one edge of the road | | | | | | | | | | | | | |
| until it intersected a small drainage and left the road and flowed down the drainage toward the Federal BO 5 injection well. | | | | | | | | | | | | | |
| Describe Cause of Problem and Remedial Action Taken.* The gas engine on a transfer pump failed. A new engine and pump have been installed and placed in a containment tub. | | | | | | | | | | | | | |
| Describe Area Affected and Cleanup Action Taken.* All of the contaminated soil around the pump, tank, road, and drainage was removed and hauled to the CRI disposal site. Soil samples were taken from the cuts and analyzed by Cardinal Laboratories to determine that all affected soil had been removed. After the analyses from Cardinal were available and cleared by the BLM field agent (Terri Gerston), all cuts were back filled with soil of a similar type. We also removed contaminated soil around wellheads on the lease and replaced it with fresh soil and caliche. | | | | | | | | | | | | | |
| regulations all public health o should their o | l operators a or the environ perations ha ent. In addit | are required to conment. The a live failed to action, NMOCD | report and acceptance dependent acceptance dependent and acceptance dependent acceptance dep | is true and comple d/or file certain re e of a C-141 repor investigate and re ce of a C-141 repor | lease no t by the mediate | otifications an e NMOCD ma e contaminatio | d perform correct rked as "Final Re in that pose a thre | ive acti- port" do at to gro | ons for rele oes not relic ound water, | ases which reve the opera surface wat | nay en ator of er, hu | ndanger f liability iman health or | |
| \mathcal{L} | | | | | | OIL CONSERVATION DIVISION | | | | | | | |
| Signature: See Somplon | | | | | | Approved by District Supervisor: | | | | | | | |
| Printed Name JOE L COMPTON | | | | | | 11 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 | | | TGumby SB | | | | |
| Title: AGENT | | | | | | Approval Date | 12-3-08 | Expiration Date: NA | | | | | |
| 4.1 | ss: Con | 1 | 71 | energy.0 | 1 | Conditions of a | Approval: NA | | | Attached | | Ula | |

* Attach Additional Sheets If Necessary