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

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State of New Mexico Energy Minerals and Natural Resources

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

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Form C-141 OCD-ARTESIARevised 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 OPERATOR Initial Report Final Report Name of Company St. Mary Land & Exploration Co. 154903 Contact Donna Huddleston Telephone No. (432)688-1789 Facility Type Tank Battery

Address 3300 N. A Street, Bldg. 7, Ste. 200 Midland, TX Facility Name Tirano CNG State TIRANO CNG STATE DOI Surface Owner State of New Mexico Mineral Owner Lease No. 30 015 27853 LOCATION OF RELEASE Feet from the Unit Letter North/South Line Feet from the East/West Line County Section Township Range N 36 **24S** 28E 660 South 1980 West Eddy Latitude Longitude NATURE OF RELEASE Type of Release OIL Volume of Release 20 bbls Volume Recovered 2 bbls Source of Release 4' X 20' Heater Treater Date and Hour of Occurrence 1/19/2000 and Hour of Discovery 1 AM 1/19 Was Immediate Notice Given? If YES, To Whom? X Yes No Not Required NMOCD - Mike Bratcher (left voicemail) Date and Hour 1/19/09 @ 11:07 AM By Whom? Bill Hearne Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes X No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Heater Treater dump failure. Oil dump failed to operate properly, filled gas section of heater treater and dumped oil out of gas vent line. Repair oil dump on heater treater and return wells to production. Vacuum truck picked up approx 2 bbls off ground. Describe Area Affected and Cleanup Action Taken.* Affected area: 30' X 30' @ vent line and 300' x 12' South of Vent. Total area 4800 sq. ft. in pasture. Cleanup Action Taken: Washed down treater and used Vacuum truck to pick up oil. Plan to remediate affected area. 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** dellita Signature: Remediation Actions to be completed and Final C-141 submitted with confirmation Approved by District Supervisor: analyses/documentation on or before the Printed Name: Donna Huddleston TGum m Expiration Date. Expiration Date: 03-2 Title: Production Tech Approval Date: 1-27 -09 E-mail Address: dhuddleston@stmaryland.com Conditions of Approval: Attached 🔽

Phone: (432)688-1789 Date: 01/20/2009

Within 30 days, on or before 2-21-09

completion of a remediation work plan based on delineation should be finalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to mitigate environmental damage.

Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD

NMOCD approval shall be obtained prior to any backfilling activities.

* Attach Additional Sheets If Necessary