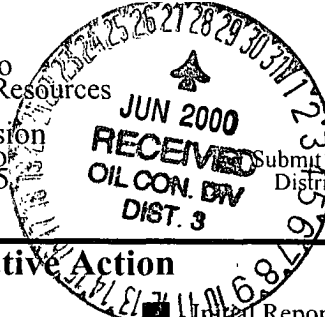


District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505



Form C-141  
Revised March 17, 1999  
Submit 3 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

30 039 25947

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Mallon Oil Company	Contact Ronald Sansoni
Address P. O. Box 2797, Durango, CO 81301	Telephone No. 970-382-9100
Facility Name Jicarilla Apache Tribe	Facility Type Gas Well

Surface Owner Jicarilla Apache Tribe	Mineral Owner Mallon Oil Company	Lease No. Jicarilla 458
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LOCATION OF RELEASE

Well Name: Jicarilla 458-5 No. 5

Unit Letter H	Section 5	Township 30N	Range 34W 3W	Feet from the 1640' ✓	North/South Line North	Feet from the 790' ✓	East/West Line East	County Rio Arriba
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NATURE OF RELEASE

Type of Release Produced Formation Water	Volume of Release 180 barrels	Volume Recovered None
Source of Release Production Tank - Containment Berm	Date and Hour of Occurrence 06/24/00 07:00 hours	Date and Hour of Discovery 06/24/00 07:15 hours
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Denny Foust - Aztec OCD	
By Whom? Ronald Sansoni	Date and Hour 06/26/00 09:15 hours	
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 well was first delivered on 6/23/00 at 16:00 hours. A progressive cavity pump had been installed and set to pump at 150 BWPD. Rates were confirmed at 170 BWPD. The well apparently started producing water up the annulus overflowing the 300 bbl production tank and broke through the containment berm. Remediation action taken. Repaired containment berm and hold back pressure on annulus.

Describe Area Affected and Cleanup Action Taken.\*

Approximately 100 yards of a small drainage area (1 ft. wide by 10" deep). The water had soaked in and the sand was dry by the time of discovery. Note: A scattered stain of approximately 5 ft. square is being cleaned up on 6/27/00.

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: <i>Ronald Sansoni</i>	OIL CONSERVATION DIVISION	
Printed Name: Ronald Sansoni	Approved by: <i>Denny Foust</i> District Supervisor: <i>for Frank Chavez</i>	
Title: District Production Superintendent	Approval Date: <i>7/10/00</i>	Expiration Date:
Date: 06/26/00 Phone: 970-382-9100	Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

1 DG F00/79298 60

## MEMORANDUM

DATE: June 27, 2000

TO: Bob Blaylock, John Zellitti, Terry Lindeman, Jim Costalez, Chuck Williams

FROM: Ron Sansoni

SUBJECT: Spill prevention for first delivery wells



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Effective immediately. All first produced wells, re-stimulated / treated wells, or wells where surface equipment has been modified to increase production will be required to be closely monitored for the first 24 hours of production and or until the production rates have stabilized. This directive will aid with the prevention of any future produced water spills.

The field foreman or his designated relief will have the responsibility of ensuring the proper coverage is in place.

*Ronald Sansoni*

Ronald Sansoni

District Production Superintendent