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

Submit 2 Copies to appropriate District Office in accordance

with Rule 116 on back side of form

Revised October 10, 2003

Form C-141

Release Notification and Corrective Action OPERATOR ☐ Initial Report Name of Company XTO Energy Inc. Contact Kim Champlin Address #382 County Road 3100, Aztec, NM 87410 Telephone No. (505) 333-3100 Facility Name Salty Dog #3R (API# 30-045-31274) Facility Type Salt Water Disposal Surface Owner Federal Mineral Owner Lease No. NM97843 LOCATION OF RELEASE Unit Letter Feet from the North/South Line Feet from the East/West Line Section Township Range County 28 30N 14W 850 North 770 East San Juan **Latitude** 36.790041 Longitude 108.308189 NATURE OF RELEASE Volume Recovered Approx 703 bbl Type of Release Produced Water Volume of Release Approx 705 Date and Hour of Discovery Source of Release Produced Water Tanks Date and Hour of Occurrence 05/06/09 11:00 AM 05/06/09. Unknown Was Immediate Notice Given? If YES, To Whom? RCVD MAY 21 '09 Mary Ellen- OCD OIL CONS. DIV. Mark Kelly-BLM DIST. 3 By Whom? Kim Champlin Date and Hour 05/07/09 10:00 AM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* During a routine site visit an XTO operator discovered produced water tanks overflowing into the berm. The well was shut in, a vac truck and roustabout crew was called. Upon investigation it was discovered that the level transmitter had shorted which took the level on the tank to zero. Due to the short the pump didn't work and there were no call out alarms to notify personnel of the overflowing tanks. Approximately 705 barrels of fruitland coal produced water was released and contained within the berm. Nothing left the well location. Vac trucks recovered approximately 703 barrels. Automation replaced all the equipment and installed a different type of float system to prevent a similar situation. Describe Area Affected and Cleanup Action Taken.* The water was contained within secondary, lined containment, no water left location. Vac trucks were dispatched immediately and recovered approximately 703 barrels of produced water. 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 in Champlin Signature: Approved by District Supervisor: Brand FM Printed Name: Kim Champlin Approval Date: 5/21/09 | Expiration Date: Title: Sr. Environmental Representative E-mail Address: Kim Champlin@xtoenergy.com Conditions of Approval:

* Attach Additional Sheets If Necessary

Phone: 505-333-3100

05/20/09

Date:

Incident # n/mb 0924749768

Attached