<u>District I</u> 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

Release Notification and Corrective Action

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

Form C-141

Revised October 10, 2003

API # 30-039-20023						OPERATOR			☐ Initial Report ☐ Final Report				
			REER DRILLING	3 C	Contact Mike Dimond								
Address 49					Telephone No. 505-324-5069								
Facility Nan	ne Canada	Ojitos Unit	0)	F	Facility Type Oil Well								
Surface Ow	ner Santa	Fe Forest	Mineral O	wner L	USA Lease No.								
						OF REI							
Unit Letter E	Section 10	Township 25N	Range 1W	Feet from the 2145	North/S North	South Line	Feet from the 825	East/West Line West		County Rio Arriba			
	Latitude Longitude												
NATURE OF RELEASE													
Type of Relea				Volume of Release 10 Bbls Volume Recover									
Source of Release Power Oil Tank						Date and Hour of Occurrence Jan. 15, 2007, 6:00 am			Date and Hour of Discovery Jan. 15, 2007, 6:00 am				
Was Immediate Notice Given?						If YES, To Whom? Voicemail left for Brandon Powell at 3:15 pm 1/15/07							
			Yes [No 🗌 Not Rec	quired								
By Whom? Mike Dimond						Date and Hour 3:15 pm 1/15/07							
Was a Watercourse Reached? 						If YES, Volume Impacting the Watercourse.							
If a Watercourse was Impacted, Describe Fully.*											RCV	DJANIT!	
Describe Cause of Problem and Remedial Action Taken.* Oil pipeline became blocked and "kill switch" operated pneumatically froze and tank overflowed. Well was shut-in, line being thawed, and researching replacing pneumatic valves with electric.													
Describe Area Affected and Cleanup Action Taken.* Affected area was all inside the tank berm. Oil could not be sucked-up due to freezing temperatures so was picked up with back hoe and taken to COU Land Farm, berm reworked and outside of tank cleaned.													
regulations a public health should their or or the environ	Il operators or the envi operations h nment. In a	are required tronment. The nave failed to	o report a acceptanadequately OCD accep	e is true and complete is true and complete ind/or file certain rece of a C-141 report investigate and repart of a C-141 report ance of a C-141 report investigate and received in the control of a C-141 report in the control of a C-	elease no rt by the emediate	otifications as NMOCD m contaminati	nd perform correct arked as "Final Ro on that pose a thro	tive act eport" of eat to g	ions for rele loes not reli round water	eases which m leve the opera r, surface wate	nay end tor of li er, hum	langer iability an health	
Signature: MUN Cumoud						OIL CONSERVATION DIVISION							
Printed Name	e: Mike Di	mond		1	Approved by District Supervisor: Brandon Tangle Persin						emin		
Title: President						Approval Date: 1-17-07 Expiration Date:				Date:			
E-mail Address: mikedimond@bmgdrilling.com						Conditions of Approval:				Attached			
Date: Jan.	16, 2007	6, 2007 Phone:505-325-8874											