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

Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance

Form C-141

with Rule 116 on back side of form

Release Notification and Corrective Action											
API 30-045-24665 OPERATOR   Initial Report X-Einal Report 707											
							Contact Lisa Winn Telephone No. (505) 566-7942 UIL CUNS. DIV.				
Farmington, NM 87401						Telephone No. (505) 566-7942 UIL CUND. UIV. DIST. 3					
						Facility Type Gas Well					
Surface Owner BLM Mineral Owner						BLM Lease No. NMSF077875					
LOCATION OF RELEASE											
Unit Letter	Section	Township	Range	Feet from the					est Line	County	
I	08	27N	10W	1530	South	h 1100 East		East		San Juan	
Latitude 36° 58.647 Longitude 107° 91.320											
NATURE OF RELEASE											
Type of Release Produced Water Volume of Release Approx 38 bbl Volume Recovered -Approx 38 bbl											
Source of Release Steel Water Tank									Hour of Discovery		
Was Immediate Notice Given?						03/14/07, time unknown   03/14/07 at 10:00   If YES, To Whom?				7 at 10:00 am	
X Yes ☐ No ☐ Not Require						·					
						Mark Kelly with BLM					
By Whom? I Was a Water					Date and Hour 03/15/07 at 9:40 am  If YES, Volume Impacting the Watercourse.						
Yes X No						NA					
If a Watercourse was Impacted, Describe Fully *											
NA											
Describe Cause of Problem and Remedial Action Taken.* A leak in a water tank was discovered by an XTO lease operator while gauging the tank.											
Once the leak was discovered all proper notifications were made. Upon investigation it appeared the leak was coming from the bottom of the tank. Approximately 38 barrels of produced water was released. All water was contained within the berm and did not leave location. The tank											
was immediately drained and evacuated.											
Describe Area Affected and Cleanup Action Taken.* The produced water was removed from the berm. Blagg Engineering was contacted to test soil and oversee clean up. There were no hydrocarbons detected. Soil was excavated and raked. A new steel tank was installed.											
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											
Signature Kim Champlin											
Signature 1711 Manpella						Approved by District Supervisor Brandon Vamell For: Charlie					
Printed Name Kim Champlin											
Title. Environmental Assistant						Approval Date: 3-27-07 Expiration I			Date:		
E-mail Address. Kim_Champlin@xtoenergy.com						Conditions of Approval			August 🗖		

03/26/2007

Attached

<sup>\*</sup> Attach Additional Sheets If Necessary