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

Form C-141

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

Λ.			_	ease Notific	catio	n and Co	orrective A	ction					
HPIH	t 30-0	45-20	788			OPERATOR] Initial Re	eport	X F	ınal Repo	Σľ
Name of Co	mpany X	TO Energy	Inc.			Contact Ki	m Champlin						
		ngton Ave,	Bldg K, S	Ste. 1	Telephone No. (505) 566-7954								
Farmington					(3)								
Facility Nat	ne Ashcr	oft SWD #1			Facility Typ	e Salt Water l	Disposal		Pr-	<u> </u>	0		
Surface Ow	ner State			Mineral (Lease No.	ADD	FIVE	ठ ही	_	
LOCATION OF RELEASE CONS ON CO													ALL PARTY.
Unit Letter	Section	Township	Range	Feet from the	North	/South Line	Feet from the	East/We	est Line Cou	unty . D/	DISTA	5	
В	26	29N	11W	795	North	b	2114	East	Sar	Juan	ان. اند	N3/	
							107 05863		1	્દ્રાજી	Ker		
Latitude 36.70138 Longitude 107.95863													
NATURE OF RELEASE													
Type of Release Produced Water							olume of Release Approx 67 bbl Volume Recovered Appr					55 bbl	_
Source of Release Drain valve/Sump tank							Date and Hour of Occurrence 03/25/07, time unknown Date and Hour of Discovery 03/26/07 at 9:30 am						
Was Immediate Notice Given?							If YES, To Whom?						
X Yes 🗌 No 🗌 Not Required							Brandon Powell- OCD						
By Whom? Kim Champlin							Date and Hour 03/27/07 at 8:30 am						
Was a Watercourse Reached?							If YES, Volume Impacting the Watercourse						
		L	Yes X	No	, N/A								
If a Watercou	ırse was Im	pacted, Descr	ibe Fully	*									
Describe Cause of Problem and Remedial Action Taken.* An XTO employee discovered a release on location. After investigation it was discovered													
that the drain valve on the #2 filter pot was left partially open which caused the sump tank to overflow. Approximately 67 barrels of produced													
water was released. Describe Area Affected and Cleanup Action Taken *□ The water was contained within secondary containment, no water left location. The valve													
was closed and a vac truck was dispatched immediately. Vac truck recovered approximately 65 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													
							on that pose a three the operator of						
		ws and/or regu		nance of a C-141	теропт	does not renev	e the operator of	гезронато	mity for compr	iance with	r arry Ot	inci	
							OIL CONSERVATION DIVISION						
Cianat	Kin	Cham	1.	\	Approved by District Supervisor Brandon Powell For: Charlie Percin								
Signature:	1 pm	Mum	fren	<u> </u>									
Printed Name	e. Kim Ch	amplin											
Title. Envir	onmental					Approval Date 4-6-07 Expiration Date							
Title. EllVII	oninental F	1551518111				Арріочаі Da	1001	E.	Apriation Date				
E-mail Addre	ess Kim_C	Champlin@x	toenergy.	com		Conditions of Approval.			At	Attached			

* Attach Additional Sheets If Necessary

Phone 505-566-7954

04/03/07

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