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

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

Release Notification and Corrective Action API 30-045-342690PERATOR Initial Report X Final Report Name of Company XTO Energy Inc. Contact Kim Champlin Address 2700 Farmington Ave, Bldg K, Ste. 1 Telephone No. (505) 566-7954 Farmington, NM 87401 Facility Name Pipkin EH #11F Facility Type Gas Well Surface Owner BLM Mineral Owner BLM Lease No. NMSF078019 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line | Feet from the East/West Line County 12 27N 11W 1960 South West San Juan **Latitude** 36° 58.792 **Longitude** 107° 96.198 NATURE OF RELEASE Type of Release 2% KCl Water Volume of Release Approx 210 Volume Recovered -Approx 30 bbl bbl Source of Release Frac Tank Date and Hour of Occurrence Date and Hour of Discovery 08/15/07, 10:00am 08/15/07 at 10:00 am If YES, To Whom? Was Immediate Notice Given? X Yes No Not Required Notified Brandon Powell with NMOCD Mark Kelly with BLM By Whom? Kim Champlin Date and Hour 08/15/07 at 4:20 pm Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes X No If a Watercourse was Impacted, Describe Fully.* NA Describe Cause of Problem and Remedial Action Taken.* While preparing location for frac activities a High Ridge sand truck backed into a frac tank breaking off a 4" valve. Once the valve was broken immediate action was taken to contain the release. 180 barrels of 2% KCl water was transferred into a truck on location, 10 barrels remained in the tank, and 30 barrels was recovered. It is estimated that approximately 180 barrels was released and soaked into the ground. Based on analyses provided by the contractor the concentration of the KCl remained in the bottom of the tank. The tank was immediately repaired. Describe Area Affected and Cleanup Action Taken * The highest concentration of KCl remained in the bottom of the tank while fresh water with very low concentration of 2% KCl was released onto the ground. The ground was allowed to dry and did not show any signs of salt crust once 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 Kim Champlin Signature: Approved by District Supervisor: Brush & M. Printed Name: Kim Champlin Approval Date 8-31-07 Expiration Date: Title: Environmental Assistant Conditions of Approval: E-mail Address: Kim Champlin@xtoenergy.com Attached

* Attach Additional Sheets If Necessary

Phone: 505-566-7954

08/27/2007

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