

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

Form C-141  
Revised October 10, 2003

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

Release Notification and Corrective Action

30-045-21470

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Moralex Disposal, LLC	Contact	Jeremy Golob
Address	PO BOX 338 Ignacio, CO 81137	Telephone No.	970-563-4000
Facility Name	Trading Post Disposal #1	Facility Type	Saltwater Disposal Tank battery
Surface Owner	BLM	Mineral Owner	BLM
		Lease No.	NM-036252

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	26	25N	11W	950'	FNL	1600'	FWL	San Juan

Latitude N36.37666 Longitude W107.97698

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	58 bbl/s	Volume Recovered	160 bbls (rain water)
Source of Release	Tank battery	Date and Hour of Occurrence	9/17	Date and Hour of Discovery	9/17 10:00 AM
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	early A.M.		
By Whom?	Jeremy Golob	Date and Hour	9/18	12:00 PM	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	N/A		

If a Watercourse was Impacted, Describe Fully.\* N/A

Describe Cause of Problem and Remedial Action Taken.\* Disposal pump failed causing tanks to run over. High tank level alarm also failed to notify operator. Repaired disposal pump and changed alarm setpoints.

Describe Area Affected and Cleanup Action Taken.\* Water ran into tank berm. Some water ran through the berm and off location. All standing water was sucked up by vacuum trucks.

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.

Signature: <u>[Signature]</u>		OIL CONSERVATION DIVISION	
Printed Name: <u>D. Jeremy Golob</u>		Approved by District Supervisor: <u>Brandal Powell</u> For: <u>Charlie Perrin</u>	
Title: <u>Engineer</u>		Approval Date: <u>9/19/06</u>	Expiration Date:
E-mail Address: <u>jgolob@moralexresources.com</u>		Conditions of Approval:	
Date: <u>9/18/06</u>	Phone: <u>970-563-4000</u>	Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

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