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

Release Notification and Corrective Action

Form C-141
Revised October 10, 2003

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

API	- 30-	045-	3052	-0		OPERA	OR	☐ Ini	☐ Initial Report ☐ Final Report			
Name of Co	mpany X	TO Energy	Inc.			Contact Kim Champlin						
Address 2700 Farmington Ave, Bldg K, Ste. 1,						Telephone 1		RCVD MAY24'07				
Farmington, NM 87401 Facility Name NV Navajo 27 #4						OIL CONS. DIV.						
						Facility Type Gas Well DIST. 3						
Surface Owner BLM Mineral Owner						Lease No. 14-20-603-2168					168	
LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the		/South Line	Feet from the	· · · · · · · · · · · · · · · · · · ·				
P	27	29N	14W	1278	Sout	h	1211	East -	San Iug	San Juan		
1		2911	1 1 4 4 4	L						San Juan		
LatitudeLongitude												
NATURE OF RELEASE												
Type of Release Produced Water						Volume of Release Approx 20 bbl Volume Recovered Approx 19 bbl						
Source of Release Stuffing Box										nd Hour of Discovery 77 1:30 PM		
Was Immediate Notice Given?						If YES, To Whom?						
X Yes No Not Required						Brandon Powell- OCD						
By Whom? Kim Champlin						Date and Hour 05/16/07 9:00 AM						
Was a Watercourse Reached? ☐ Yes X No						If YES, Volume Impacting the Watercourse. NA						
						NA						
If a Watercourse was Impacted, Describe Fully * NA												
IVA												
Describe Cause of Problem and Remedial Action Taken * XTO Lease Operator arrived on location on 05/15/07 and noticed water on location.												
Upon investigation it was discovered that the packing from the stuffing box blew out causing approximately 20 barrels of produced water to be released. Appropriate notifications were made and a vac truck dispatched. Approximately 19 barrels of recovered produced water was taken to												
the Salty Dog #1 SWD.												
Describe Area Affected and Cleanup Action Taken.*												
A vac truck was used to recover water on location and repairs were made to the stuffing box packing.												
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 Changslin						OIL CONSERVATION DIVIDION						
Signature:	rum	Chan	ysten	<u>-</u>		1 / 1 For: Charlie						
Printed Name: Kim Champlin							Approved by District Supervisor Brand Tall Perrin					
						(7.1	277	_				
Title: Envir	onmental A	Assistant				Approval Date: 5-24-57 Expiration Date:			on Date:			
E-mail Addre	ess: <u>Kim (</u>	Champlin@x	toenergy.	moz		Conditions of Approval:			Attached			
Date: 05/	18/07		Dhans	505-566-7954			Attach	Allacired				