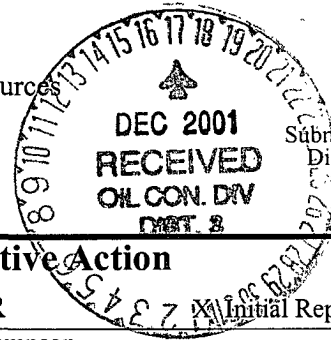


District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

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 March 17, 1999

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

Release Notification and Corrective Action

30 045 05919

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Pendragon Energy Partners	Contact Paul Thompson	
Address c/o Walsh Engineering, 7415 E. Main St. Farmington	Telephone No. (505) 327-4892	
Facility Name Frontier A #1 SWD	Facility Type SWD	
Surface Owner Navajo	Mineral Owner NA	Lease No. NA

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	8	26N	12W	1750	South	790'	East	San Juan

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 20 bbls	Volume Recovered 0 bbls
Source of Release Water Truck Leak	Date and Hour of Occurrence First two weeks of October 2001	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Welds on the water truck were leaking, especially during the unloading at the Frontier A #1 SWD location. The tank has been repaired.

Describe Area Affected and Cleanup Action Taken.*

The unloading area at the SWD facility was saturated with produced water. No liquid hydrocarbons were present in the produced water. The water was allowed to dry naturally.

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: <i>Paul C. Thompson</i>	OIL CONSERVATION DIVISION	
Printed Name: Paul C. Thompson, P.E.	Approved by District Supervisor: <i>Denny Foust for Frank Chavez</i>	
Title: Agent for Pendragon Energy	Approval Date: <i>12/24/01</i>	Expiration Date: ..
Date: 12/6/01 Phone: (505) 327-4892	Conditions of Approval: <i>Release required immediate notice</i> Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

was not limited to a location, conditions causing the release were not repaired, NOV issued.

N.D.G.F. 0129629417 Dated 11/27/01