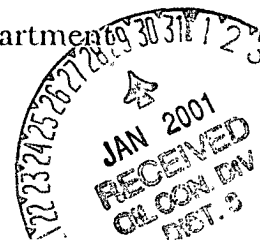


District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 South First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131



Form C-141
Originated 2/13/97
Submit 2 copies to
Appropriate District
Office in accordance
with Rule 116 on
back side of form

Release Notification and Corrective Action
OPERATOR

3004511123

Name <i>Kock Exploration</i>	Contact <i>Don Johnson</i>
Address <i>P.O. Box 489 Aztec, NM 87410</i>	Telephone No. <i>505-334-9111</i>
Facility Name <i>Gardner #1</i>	Facility Type <i>Gas Well</i>

Surface Owner <i>BLM</i>	Mineral Owner <i>BLM</i>	Lease No. <i>NM-013642</i>
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LOCATION OF RELEASE

Unit Letter <i>M</i>	Section <i>35</i>	Township <i>32N</i>	Range <i>9W</i>	Feet from the <i>880</i>	North/South Line <i>SL</i>	Feet from the <i>950</i>	East/West Line <i>WL</i>	County <i>San Juan</i>
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NATURE OF RELEASE

Type of Release <i>Drilling Mud</i>	Volume of Release <i>~ 20 bbls</i>	Volume Recovered <i>2-3 bbls</i>
Source of Release <i>Blow (flow) pit</i>	Date and Hour of Occurrence <i>6:00-6:30 1/24</i>	Date and Hour of Discovery <i>6:30 1/24/2001</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Steve Hayden</i>	
By Whom? <i>Dean Collins (Consultant)</i>	Date and Hour <i>~ 10:00 am 1/24/2001</i>	
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. (Attach Additional Sheets If Necessary)

Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary)

Back of flowback pit washed out while unloading well w/ air. Recovered 2-3 bbls with vacuum truck. Breech repaired and blooie line moved.

Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary)

Mud ran down gully behind pit.

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>Don Johnson</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>Donato Johnson</i>	Approved by <i>Don Johnson</i> District Supervisor: <i>for Frank Chavez</i>	
Title: <i>Operations Manager</i>	Approval Date: <i>02/02/01</i>	Expiration Date:
Date: <i>1/26/01</i>	Phone: <i>505-334-9111</i>	Conditions of Approval: <input type="checkbox"/> Attached <input type="checkbox"/>

N DGF 0102534530