District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Oil Conservation Division 2040 South Pacheco Santa Fe, NM 87505

Form C-141 Revised March 17, 1999

JAN 2004
Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

R	elease	Notification	and	Corrective	Action
K	eiease	Notification	and	Corrective	Action

Release Notification and Corrective Action										
30 039 25730	OPER	RATOR	ARCA	(L) dnit	ial Repo	rt X Final Report				
Name of Company Black Hills E&P/ Mallon Oil Company	Contact: Buck Pruitt									
Address: P.O. Box 249, 3200 N 1st St., Bloomfield,	Telephone No: (505) 634-1111 Ext. 24									
Facility: Jic. 30-03-28 #1	Facility Type: Natural Gas Well									
Surface Owner	Mineral Owner				Lease No. 701-90-0002					
Jicarilla Apache Res. LOCATION OF RELEASE										
Unit Letter Section Township Range Feet from		South Line	Feet from the	East/Wes	t Line	County				
D 28 30N 03W 1185'	Sout		790°	West		Rio Arriba				
NATURE OF RELEASE										
Type of Release: Produced Water	Volume of Release: 85 BBL.Est.			Volume Recovered: 83 BBls Est.						
Source of Release: Water transfer pipeline.	Date and Hour of Occurrence: 11/25/03 @ approx. 0200 hrs. Date and Hour of Discovery: 11/25/03 @ approx. 0900 hrs.									
Was Immediate Notice Given? Yes	If YES, To Whom? Buck Pruitt, BHEP									
By Whom? Randy Thompson, BHEP		Date and Hour: 11/25/03 @ approx. 0920 hrs.								
Was a Watercourse Reached? No	If YES, Volume Impacting the Watercourse. N/A									
If a Watercourse was Impacted, Describe Fully.* N/A		1								
Describe Cause of Problem and Remedial Action Taken.* A (2") two inch steel pipe nipple broke, due to freezing, allowing produced water to escape from the produced water gathering system. No Remedial action was taken.										
Describe Area Affected and Cleanup Action Taken:* The leak occurred at the tank, on the water transfer pumps suction piping, located inside the										
bermed containment surrounding the storage tank. A vacuum truck recovered most of the water and the unrecoverable balance was left to evaporate. The piping configuration was altered, as well, so as to help prevent this failure from reoccurring.										
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 remedial 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: Bullmut	OIL CONSERVATION DIVISION									
Printed Name: Buck Pruitt	Approved by District Supervisor: For Frank Chavez									
Title: District Production Foreman	Approval Date: //05703 Expiration Date:									
	Ovig malfilms lost in mail, Attached									

Phone: (505) 486 - 0330

* Attach Additional Sheets If Necessary

Date: 11/28/03

ADGF 0400534030 ADGF 0408539275

Conditions of Approval:

Attached