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<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District III

1000 Rio Brizos Rond Aziec, NM 87410

State of New Mexico NMOCD ARTESIA Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division Submit I Copy to appropriate District Office in

District IV 1220 South St. Francis Dr. 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505												
Release Notification and Corrective Action												
nMLB/40/4 30906 OPERATOR X Initial Report Final Rep												
Name of Co	mpany X	Contact David Luna										
Address 200		Telephone No. 432-620-6742										
Facility Na	ne Nash U	Init #29	·			Facility Type Treated produced water modular Impoundment						
Surface Ow	ner BLM	· · · · · · · · · · · · · · · · · · ·		Mineral C)wner	r API No. 30-015-29434						
				LOCA		N OF RE	LEASE					
1 1 1 1 1					North	rth/South Line Feet from the			East/West Line County			
J	J 13 23S 29E 1980			} :	SOUTH	2310		EAST	EDDY			
Latitude N 32.30322 Longitude W 103.93719												
NATURE OF RELEASE												
Type of Release Treated and non-treated produced water Volume of Release < 5 bbls Volume Recovered None												
Source of Rel		Date and Hour of Occurrence 8/27/12 Date and Hour of Discovery 8/27/12										
W do minedic		If YES, To Whom?										
By Whom? N		Date and Hour NA										
Was a Watero	ourse Reac	No		If YES, Volume Impacting the Watercourse.								
10 331	 -		Yes 🛚		NA NA							
If a Watercourse was Impacted, Describe Fully.*												
NA NA												
Describe Cause of Problem and Remedial Action Taken.*												
On August 27th, 2012 the modular impoundment liner detached from the top of the tank along the western edge releasing approximately 3 barrels of treated produced water. Mr. Randy Green of XTO Energy mobilized water haul trucks to the site and lowered the water level to prevent further leakage and reattached the finer to the top of the tank. The												
water was transferred to Nash Draw 48 H and Nash Draw Unit # 57 H. Soll sampling was conducted per C-144 closure requirements. The attached document presents the sampling												
results and proposes a remediation plan. Describe Area Affected and Cleanup Action Taken.*												
The release affected the southwest comer of the production pad, adjacent to the modular impoundment. The area of impact was												
approximately 15 X15 square feet. No cleanup action was taken due to limited access caused by the location of the modular impoundment along the edge												
of the production pad; beyond the modular impoundment heavy mesquite vegetation exists.												
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:	X II	<u> </u>	_	Signed By Mily Bears, in								
Printed Name:	David Luna				1	Approved by Environmental Specialist.						
						. M						
Title: Operation	15 Engineer	· 			Approval Date	<u> </u>	Į E	Expiration D	nte:	_		
E-mail Address: David_Luna@xtoenergy.com						Conditions of Approval:						
Date: 3	/15/	113	32-620-6742	,	Remediation per OCD Rule &							
Attach Additional Sheets If Necessary Guidelines. SUBMIT REMEDIATION												
PROPOSAL NO LATER THAN:												1
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