

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

MOBBS OGD

Form C-141
Revised October 10, 2003

SEP 03 2014
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company - <i>Southwest Royalties Inc.</i>	Contact - <i>Luis Gonzalez</i>	
Address - <i>6 Desta Drive, Ste 2100</i>	Telephone No. <i>423-661-4708</i>	
Facility Name - <i>Ammons Madera</i>	Facility Type <i>battery</i>	
Surface Owner - <i>State</i>	Mineral Owner: <i>private</i>	Lease No. <i>21355</i>

LOCATION OF RELEASE

Unit Letter <i>L</i>	Section <i>15</i>	Township <i>26S</i>	Range <i>33 E</i>	Feet from the <i>1980</i>	North/South Line <i>South</i>	Feet from the <i>990</i>	East/West Line <i>West</i>	County <i>Lea</i>
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Latitude Longitude

NATURE OF RELEASE

Type of Release - <i>Produced Water and skim of oil</i>	Volume of Release <i>22 bbls of water and 2 bbls of oil</i>	Volume Recovered - <i>18 bbls water 1bbl oil</i>
Source of Release- <i>battery water tank overflowed</i>	Date and Hour of Occurrence <i>7-19-13 @ Early morning</i>	Date and Hour of Discovery <i>8-27-14 @ ~ 1200 Hrs</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>OCD - Mr. Mark Whitaker</i>	
By Whom? <i>Kenneth Allen.... Production Field Foreman</i>	Date and Hour <i>8-27-14 @ ~ 1200 Hrs</i>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <i>NA</i>	
If a Watercourse was Impacted, Describe Fully. * <i>NA</i>		
Describe Cause of Problem and Remedial Action Taken. * <i>The high fluid level automation system failed allowing tanks to overflow water in to the fire wall (dikes) all fluids were contained inside the fire wall. We have recovered all free fluids standing at present time which it consisted of ~21 Bbls of produced water and 2 Bbls of oil .Delineation/Excavation process will be performed accordingly by requirements.</i>		
Describe Area Affected and cleanup Action Taken: <i>The tanks surrounding area inside the fire wall soils were affected, which is an area approx: 20' x 75' We have recovered free fluids standing inside the fire wall, and as of today we have moved equipment to begin the excavation process of all affected soils and to place material on to a plastic liner outside the battery for further removal of soils to a proper Disposal. Then we will proceed by sampling the soil and run analysis to determine salt and TPH concentrations.</i>		
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: <i>[Signature]</i>	Approved by District Supervisor: <i>[Signature]</i>	
Printed Name: <i>Luis A Gonzalez</i>	Approval Date: <i>9-3-14</i>	Expiration Date: <i>11-3-14</i>
Title: <i>Environmental Regulatory Administrator</i>	Conditions of Approval: <i>9510 Super region Revised & include area as per NMOCD guidelines. Subit final C-141 by 11-3-14</i>	
E-mail Address: <i>lgonzalez@claytonwilliams.com</i>	Attached <input type="checkbox"/> <i>IRP-3301</i>	
Date: <i>September 3, 2014</i>	Phone: <i>432-661-4708</i>	

* Attach Additional Sheets If Necessary

SEP 05 2014

Ogrod 21355
N70 1424 64 7196
P70 1424 64 7338
E70 1424 64 7046