

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

**HOBBS OCD**  
State of New Mexico  
Energy Minerals and Natural Resources  
OCT 10 2014  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
**RECEIVED**

Form C-141  
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

**OPERATOR**  Initial Report  Final Report

Name of Company	Resolute Natural Resources Co., LLC	Contact	Mike McKee, EH&S Coordinator
Address	1675 Broadway, Suite 1950 Denver, CO 80202	Telephone No.	303 573 4886 x 1625
Facility Name	Oberholtzer Well #1	Facility Type	Production Well

Surface Owner	Mineral Owner	API No.	30-025-07171
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	8	12S	38E					Lea

Latitude 33.298548 Longitude -103.116831

**NATURE OF RELEASE**

Type of Release	Production well Oil	Volume of Release	~10 bbl	Volume Recovered	Nene - Misted on to Surface Soil
Source of Release	Production well vandalism	Date and Hour of Occurrence	10/2/14 ~12:00 am	Date and Hour of Discovery	10/2/14 7:00 am
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.\*

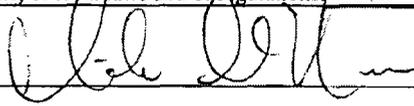
Vandals attempted to steal the copper wire ground cable that ran from J box to wellhead and then to downhole electrical submersible pump. While pulling the cable from the J box and the well head, they twisted the well head slightly and broke off the casing nipple, which caused an overspray and fluid release of about 10 bbls. All fluids were contained within the pad.

Describe Area Affected and Cleanup Action Taken.\*

The sprayed fluid volume affected the area adjacent to the wellhead. The areal extent of the spray area was approximately 30' x 40' north of the well head and 10' x 100' from wellhead back to the east. Cleanup of this affected area included utilizing a backhoe to scrape surficial soils impacted by the spray and temporarily stockpiling. 12 cubic yards of caliche was spread over the scraped area to complete the mitigation efforts. The stockpile of impacted soil will be transported to Gandy-Marley for treatment.

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:			
Printed Name: Mike McKee	Approved by Environmental Specialist:		
Title: Environmental, Health & Safety Coordinator	Approval Date: 10-10-14	Expiration Date: _____	
E-mail Address: mmckee@resoluteenergy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 10/10/14 Phone: 303 573 4886 x 1625			IRP-3372

\* Attach Additional Sheets If Necessary

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p701428 342154