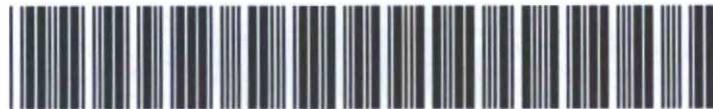




AE Order Number Banner

Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



App Number: pPAC0729635933

1RP - 1609

TEXAS REEXPLORATION OPERATING, L.C.

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company - Texas ReExploration Operating LC (TREX)	Contact - Dean Brooks
Address - One Petroleum Center, 3300 North A., Bldg. 1-234, Midland, TX 79707	Telephone No. 432-432-618-2202
Facility Name - Union SI Federal Well #2 and Tank Battery	Facility Type - Tank Battery
Surface Owner - Mayes Jenkins, Sr.	Mineral Owner - BLM
API No. 30-005-20866	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	East/West Line	County
C	1	08S	31E	660	North Line	1980	West Line	Chaves

Latitude 33.65445 Longitude -103.72925

NATURE OF RELEASE

Type of Release - Historic crude oil spill - before current operator	Volume of Release - estimated 50bbls	Volume Recovered - N/A - Historic release before current operator
Source of Release - most likely pipe fittings and storage tank overflow	Date and Hour of Occurrence ?	Date and Hour of Discovery 8/8/07
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? OCD Compliance Officer	Date and Hour - Before 2007	
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.* Groundwater for this area is considered to be at a depth of 97ft		
Describe Cause of Problem and Remedial Action Taken.* Texas ReExploration Operating purchased this lease in 2007. This tank battery had historic/past oil spills and leaks. No remedial action had been taken. A remediation plan has been compiled by TREX and will be implemented upon NMOCD approval. Please see attached Remediation Action Plan.		
Describe Area Affected and Cleanup Action Taken.* The approximate area/s effected is 1. Drainage area inside fence, immediately behind storage tanks - 30ft X 140ft. 2. Area immediately outside of fence - south of storage tanks - 40ft X 100ft. 3. Area immediately south and southwest of storage tanks - 210ft X 110ft. No remedial action had been taken. The remediation for this location will begin upon OCD approval of the remediation plan.		
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>Dean C Brooks</i>	OIL CONSERVATION DIVISION	
Printed Name: Dean Brooks	Approved by District Supervisor: <i>[Signature]</i>	
Title: Vice President of Engineering	Approval Date: <u>10.23.07</u>	Expiration Date: <u>12.23.07</u>
E-mail Address: <u>dbrooks@tex-rex.com</u>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>9/20/07</u>	Phone: <u>432-618-2202</u>	

* Attach Additional Sheets If Necessary

1609