COPY ATTACHED

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

State of New Mexico Energy Minerals and Natural Resources

> Oil Conservation Division 1220 South St. Francis Dr.

Revised October 10, 2003

Form C-141

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

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** Initial Report XX Final Report CLARENCE CRAIG Name of Company PHOENIX HYDROCARBONS Contact Address P O Box 3638, Midland, TX 797 2 elephone No. 505-370-0825 Facility Type Facility Name Burro SWD Pipeline Pipeline Surface Owner Ricky Pearce Mineral Owner Lease No. State LOCATION OF RELEASE Range Feet from the North/South Line Feet from the the vicinity of Gulf Sohio State East/West Line Unit Letter Section Township the` 33E 1980' 660' Η North East Lea Co. NM Longitude Latitude NATURE OF RELEASE Volume of Release 52 bb] Yolume Recovered 30 Date and Hour of Occurrence PM Date and Hour of Discovery 10/19/06 Type of Release 50 bbls SW & 2 bbls oil Source of Release Pipeline Malfunction If YES, To Whom? Notice given to the Hobbs of Was Immediate Notice Given? Yes No Not Required 10/20/06 @ 1:59PM TX time Date and Hour 10/20/06 @ 1:59PM TX time By Whom? Phyllis R. Gunter If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? ☐ Yes XXNo If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Roadrunner Backhoe dug down to rock and removed 28 yards contaminated soil to the Gandy Marley Land Farm. Secured 28 yards fresh soil from Gandy Marley Land Farm. The fresh soil was spread over the The area will be reseeded in the Spring. excavated area. Describe Area Affected and Cleanup Action Taken.* 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: GUIFETH Approved by District Supervisor: PHYLLIS R. GUNTER Printed Name: Approval Date: 5. 4- 57 AGENT **Expiration Date:** Title: E-mail Address: phyqun@aol.com Conditions of Approval: Attached 1/18/07 Phone 432-686-9869

Mudent - nPACO712955367 application - PPACO712955472