

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	Burgundy Oil & Gas, Inc.	Contact	Ben Taylor
Address	401 W. Texas, Suite 1003, Midland, TX 79701	Telephone No.	(432) 684-4033
Facility Name	Eunice Monument Unit #28	Facility Type	Well / Flow Line
Surface Owner:	State	Mineral Owner:	State
		Lease No.	015823
		API No.	30-025-06170

LOCATION OF RELEASE

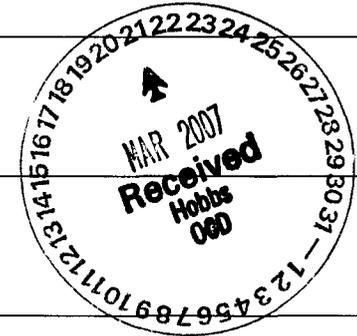
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	19	20S	37E	330	South	330	West	Lea

Latitude N 32 deg. 33.311' Longitude W 103 deg. 17.455'

WTR 35'

NATURE OF RELEASE

Type of Release	Oil and Water	Volume of Release	5 bbl	Volume Recovered	None
Source of Release	Flow Line	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	3/13/07
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Leak discovered by OCD (Gary Wink)			
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.* Oil and water were released from a flow line. No remediation has occurred at this time.					
Describe Area Affected and Cleanup Action Taken.* Area is approximately 50' x 50'. Impacted material will be removed to an NMOCD approved disposal facility. Samples will be collected below the excavation. Excavation will be backfilled with clean soil.					
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>Cindy Crain</i>			OIL CONSERVATION DIVISION	
Printed Name:	Cindy Crain as Agent for Burgundy Oil and Gas			Approved by District Supervisor: <i>[Signature]</i>	
Title:	Geologist / Environmental Manager			Approval Date:	5.15.07
E-mail Address:	cindy.crain@gmail.com			Expiration Date:	7.15.07
Date:	3/19/07			Phone:	(505) 441-7244
Conditions of Approval: SUBMIT BY 7.15.07				Attached <input type="checkbox"/>	

- ① CHLORIDES OF WTR SPILLED
- ② FINAL SAMPLING NOTIFICATION
- ③ CLEAN TO 100 PPM TDS, 250 CHLORIDE

RPH
1277

* Attach Additional Sheets If Necessary