

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	RKI EXPLORATION & PRODUCTION	Contact	GENE SIMER
Address	P.O. BOX 370, CARLSBAD, NM 88221	Telephone No.	505-885-1313
Facility Name	STATE ETA #3	Facility Type	TANK BATTERY

Surface Owner	DORIS HARROD	Mineral Owner		Lease No.	E-704
---------------	-------------------------	---------------	--	-----------	-------

STATE OF NM

LOCATION OF RELEASE

API 30 025 34716

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	8	16S	35E	1980	NORTH	660	EAST	LEA

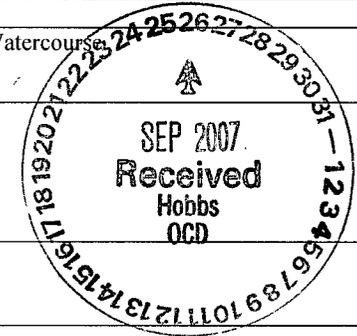
Latitude N32°56'32" Longitude W103°28'60"

WTR 50'SS'

NATURE OF RELEASE

Type of Release	PRODUCED WATER & CONDENSATE	Volume of Release	11BW, 108BO	Volume Recovered	0, CONDENSATE BURNED UP, WATER EVAPORATED
Source of Release	LIGHTNING STRIKE ON TANK BATTERY	Date and Hour of Occurrence	9-23-07 @ 1700	Date and Hour of Discovery	9-23-07 @ 1700
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	MAXEY BROWN W/ OCD		
By Whom?	GENE SIMER	Date and Hour	9-24-07 @ 1330		
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.*
LIGHTNING STUCK TANK BATTERY, BURNED TANKS AND ALL LIQUIDS IN THEM

Describe Area Affected and Cleanup Action Taken.*
TANKS WILL BE REMOVED AND DISPOSED OF, AREA CLEANED AND NEW BATTERY BUILT

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>Gene Simer</i>	<u>OIL CONSERVATION DIVISION</u> <i>J. Johnson</i>	
Printed Name: GENE SIMER	Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: PRODUCTION SUPERINTENDENT	Approval Date: 9.26.07	Expiration Date: 12.6.07
E-mail Address: gsimer@rkixp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9-25-07 Phone: 505-885-1313	*REMOVE ALL CONTAMINANTS FROM UNDER OLD TANKS PRIOR TO SETTING NEW TANKS	

* Attach Additional Sheets If Necessary

RP# 1592
- SUGGEST LINER INSTALLATION UNDER NEW TANKS w/BERM FOR CONTAINMENT AS WATER IS 50'-55' IN THIS AREA