

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	Contact - Dean Brooks
Address - One Petroleum Center, 3300 North A., Bldg. 1-234, Midland, TX 79707	Telephone No. 432-432-618-2202
Facility Name - Chalupa SWD #004	Facility Type - Injection

Surface Owner - ~~?????~~ **STATE OF NM** Mineral Owner ~~?????~~ **API** Lease No. ~~LG 2414~~ **30.025-29184**

NEED THIS -

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	East/West Line	County
M	13	14S	33E	330	South Line	330	West Line	Lea

Latitude 33.10041 Longitude -103.57570

THIS NUMBER IS FAR TOO LOW AS PER OGD CALCULATION

NATURE OF RELEASE

Type of Release - Produced Water/Saltwater	Volume of Release - estimated 20bbls	Volume Recovered - 0bbls
Source of Release - Flow Line	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?	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.*
A flow line connection/union was replaced which later developed into a leak resulting in the brine water spill. The leak has been properly repaired. No remedial action has been taken yet. A remediation plan has been compiled and will be implemented upon NMOCD approval. Please see attached Remediation Action Plan.

NEED APPROXIMATE CHLORIDE CONTENT ON ALL WTR SPECS

Describe Area Affected and Cleanup Action Taken.*
The approximate area effected is 150ft X 180ft. Vegetation shows signs of stress within approximately 50% of the contaminated area. The entire area indicating elevated levels of chlorides will be remediated. The choice of remediation is to remove contaminated soil to a locally approved disposal site (Forte - Rancher ??????????) **← NOT A DISPOSAL**

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>[Signature]</i>	DENIED OIL CONSERVATION DIVISION	
Printed Name: Dean Brooks	Approved by District Supervisor: <i>[Signature]</i> ENVIRONMENTAL ENGINEER	
Title: Vice President of Engineering	Approval Date: 9.27.07	Expiration Date:
E-mail Address: dbrooks@tex-rex.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9/12/07 Phone: 432-618-2202		

* Attach Additional Sheets If Necessary

ORIGINAL SIGNATURE REQUIRED

RP# 1597