

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

RECEIVED

OCT 16 2009

HOBBSOCD

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	CELERO ENERGY II, LP	Contact	Lisa Hunt
Address	400 W. Illinois, Ste. 1601 Midland, TX 79701	Telephone No.	(432)686-1883
Facility Name	Glad Wallace #2	Facility Type	Well
Surface Owner	Dean Kinsolving	Mineral Owner	
		Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	31	11S	38E	1650'	South	1650'	East	Lea

Latitude _____ Longitude _____ API # 30-025-07115-00-00

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	100-150 bbls	Volume Recovered	40 bbls
Source of Release	Flowline	Date and Hour of Occurrence	10/13/09am	Date and Hour of Discovery	10/13/09pm
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Geoffrey Leking		
By Whom?	Lisa Hunt	Date and Hour	10/14/09 11:00 am		
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.*

Flowline busted. Doing immediate remediation by scraping up 8-12 inches of dirt off affected area & stock piling it on plastic on caliche pad.

Describe Area Affected and Cleanup Action Taken.*

150 x 150 area affected. Tetra Tech will be running the assessment and taking soil samples.

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>Lisa Hunt</i>		OIL CONSERVATION DIVISION	
Printed Name: Lisa Hunt		Approved by District Supervisor: <i>Geoffrey Leking</i>	
Title: Regulatory Analyst		Approval Date: 10/19/09	Expiration Date: 12/21/09
E-mail Address: LHunt@celeroenergy.com		Conditions of Approval: DELINEATE TO CLEAN+1. SUBMIT FINAL C-141 BY 12/21/09.	
Date: 10/14/2009 Phone: (432)686-1883		Attached <input type="checkbox"/> IRP-09-11-2329	

* Attach Additional Sheets If Necessary

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