District I 1625 N. French Dr., Hobbs, NM 88240 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

Revised October 10, 2003 Submit 2 Copies to appropriate

Form C-141

District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action nMLB1032258479 **OPERATOR** X Initial Report Final Report Name of Company: Judah Oil, LLC Contact: Blaise Campanella Address: PO Box 568, Artesia, NM 88211-0568 Telephone No.: 575-748-5488 NMOCD 2RP No.: 422 Facility Name: Oxy T-Bone Federal No. 1 SWD Facility Type: SWD API No.: 30-015-32122 Surface Owner: Federal Mineral Owner: Federal Lease No.: NM12211/SWD-950 LOCATION OF RELEASE Feet from the Unit Letter Feet from the North/South Line East/West Line County Section Township Range 33 660 **FNL** 1980 **FWL** Eddy C **18S** 31E Latitude Longitude NATURE OF RELEASE Type of Release: Unauthorized Produced Water Discharge Volume of Release: Unknown Volume Recovered: None Source of Release: Tanker truck which obtained the produced water Date and Hour of Occurrence: Date and Hour of Discovery: 13 October 2010 Approx. 1300 Hrs. from an unknown foreign source. Unknown If YES, To Whom? Was Immediate Notice Given? X Yes ☐ No ☐ Not Required Mike Bratcher By Whom? Cheryl Winkler Date and Hour: Message @ Approximately 1330 H RECEIVED Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes X No N/A OCT 14 2010 If a Watercourse was Impacted, Describe Fully.* N/A NMOCD ARTESIA Describe Cause of Problem and Remedial Action Taken.* At an unknown date and time, a tanker truck hauling produced water from a foreign source illegally discharged its contents on both the pad area of the SWD and along the access road which eventually flowed off the roadbed into the adjacent ditch. No vacuum trucks were called because by the time the spill was discovered horizontal and vertical absorption had maximized, leaving no standing produced water on the surface. After notification to the NMOCD, plans were made to excavate the contaminated material and haul it to disposal. Describe Area Affected and Cleanup Action Taken.* Due to the fact this discharge event was discovered after soil absorption had occurred, excavation is the only realistic option. Sampling shall be conducted to determine the level of soil chlorides and after excavation to verify the area is again in compliance. Please refer to the Corrective Action Plan and Final Remediation Report for details. 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. 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: Approved by District Byson 1/4 Printed Name: Blaise Campanella Approval Date: NOV 1 8 2010 Expiration Date: Title: Member/Manager Conditions of Approval: ZEMENATION PER PMC & Rules & Oudo/ines

Date: 13 October 2010

E-mail Address: judahoil@yahoo.com

Phone: 575-748-5488

2RP-482

Attached

^{*} Attach Additional Sheets If Necessary

Mr. James Blaise Campanella Member/Manager Judah Oil, LLC PO Box 568 Artesia, NM 88211-0568

13 October 2010

Mr. Mike Bratcher
OIL CONSERVATION DIVISION
1301 West Grand Ave.
Artesia, NM 88210

RECEIVED

OCT 26 2010

NMOCD ARTESIA

Re: Oxy T-Bone Federal No. 1 SWD Corrective Action Plan Unauthorized Discharge

API No.: 30-015-32122 / Federal Lease No.: NM12211 / SWD-950

U/L.C Sec 33 18S 31E 660' FNL 1980' FWL

NMOCD 2RP No.:

Dear Mr. Bratcher:

Judah Oil, LLC (Judah) herewith notifies the New Mexico Oil Conservation Division (NMOCD) that an unauthorized discharge of produced water occurred at the Oxy T-Bone Federal No. 1 SWD location. It is suspected that a tanker truck illegally discharged along part of the lease road and on the pad within the past 72 hours. Discovery occurred on 13 October 2010.

Due to the unknown length of time, which had elapsed prior to discovery, horizontal and vertical absorption had already maximized. Samples will be taken to ascertain contaminant levels in order to implement effective infield remediation. The NMOCD will be notified once the sample results are available. Contaminated soils will be excavated and hauled to disposal.

Following excavation, samples will be taken to confirm compliance with NMOCD standards. When completed, caliche will be replaced on the road and active pad area.

Should you have questions, please call (575-748-5488).

James Blaise Campanella

Member/Manager

Sincerely

Enclosures: Laboratory Analyticals

Summary Report

Blaise Campanella Judah Oil LLC

P. O. Box 568 Artesia, NM 88211 Report Date: October 18, 2010

Page Number: 1 of 2

Work Order: 10101815

Project Name:

Oxy T-Bone Fed. No. 1 SWD

Project Number: Unauthorized Discharge

			Date	Time	Date
Sample	Description	Matrix	Taken	Taken	Received
247816	Pad Area Beginning of Pad	soil	2010-10-14	13:00	2010-10-18
247817	Pad Area Above Tanks on Pad	soil	2010-10-14	13:10	2010-10-18
247818	Pad Area Background	soil	2010-10-14	13:30	2010-10-18
247819	Pad Area Access Road Area	soil	2010-10-14	13:50	2010-10-18

Sample: 247816 - Pad Area Beginning of Pad

Param	Flag	Result	Units	RL_{-}
Chloride		27200	mg/Kg	2.50

Sample: 247817 - Pad Area Above Tanks on Pad

Param	Flag	Result	Units	RL
Chloride		15500	mg/Kg	2.50

Sample: 247818 - Pad Area Background

Param	Flag	Result	Units	$_{ m RL}$
Chloride		207	mg/Kg	2.50

Sample: 247819 - Pad Area Access Road Area

Report Date: October 18, 2010 Work Order: 10101815 Page Number: 2 of 2

Param	Flag	Result	Units	RL
Chloride		8920	mg/Kg	2.50