

RECEIVED

By OCD; Dr. Oberding at 8:38 am, Apr 10, 2015

BURGUNDY OIL & GAS OF NEW MEXICO, INC.



APPROVED

Conditionally

By OCD; Dr. Oberding at 8:43 am, Apr 10, 2015

Skaggs-Grayburg #11

Stipulation:
Provide sample results.

SITE ACTIVITIES

API No. 30-025-20126

Release Date: 03/04/2015

Unit D, Section 13, Township 20 South, Range 37 East

April 2, 2015

Prepared by:

Environmental Department
Diversified Field Service, Inc.

206 W Snyder

Hobbs, NM 88240

Phone: (575)964-8394

Fax: (575)393-8396

Environmental Department

206 W. Snyder

Hobbs, NM 88240

Phone: (575)964-8394 Fax: (575)964-8396

Ben Taylor

Burgundy Oil and Gas

401 W. Texas Ave., #1003

Midland, TX, 79701

RE: **Skaggs-Grayburg #11- Site Activities for Reclamation**

API 30-025-20126

Unit D, Section 13, T20S, R37E

Mr. Taylor,

Detailed herein is a summary of activities at the site by Diversified Field Service, Inc. (DFSI). The spill occurred on March 4, 2015, with a failure in the flowline. A pinhole in the flowline sprayed onto the pump jack and pasture north of the pump jack. On April 1, 2015, DFSI personnel visited the site to remove the contaminated soil from the north side of the pump jack. The spill area behind the pump jack was re-contoured with surrounding caliche. DFSI was retained by Burgundy Oil and Gas in order to complete the requirements of restoring the location to its previous condition. (See Site Photographs).

Thank you for allowing DFSI to assist you in this matter. Please call me with any questions and/or comments.

Sincerely,

Lance Crenshaw

Project Manager

Diversified Field Service, Inc.

206 W. Snyder

Hobbs, NM 88240

Office: (575)964-8394

Mobile: (575)441-2359

Fax: (575)964-8396

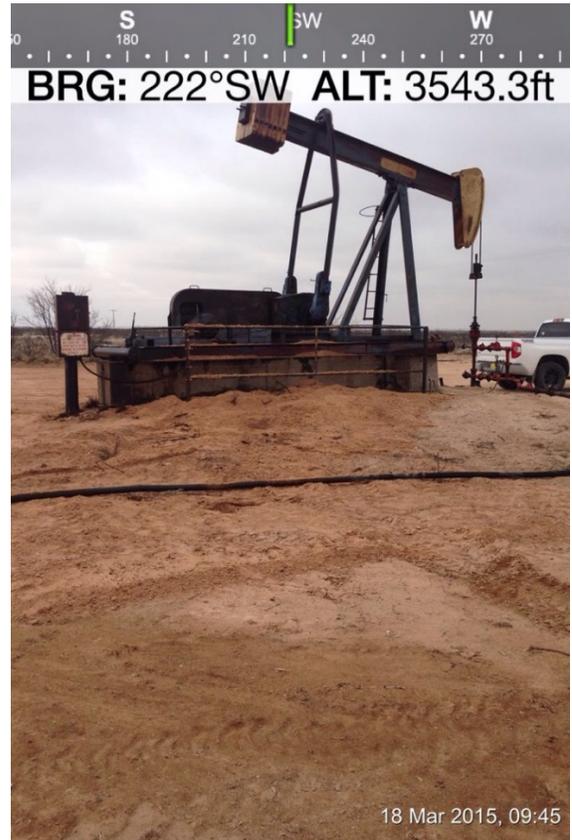
Attachments:

Site Photographs

Initial C-141



Lease sign marking location



Spill Area



Completed site with contaminated dirt hauled out, blended caliche leveled back in

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 <i>Burgundy</i>	Contact <i>Ben Taylor</i>
Address	Telephone No. <i>1-432-557-2684</i>
Facility Name <i>SK665 Grayburg #11</i>	Facility Type
Surface Owner	Mineral Owner
Lease No. <i>300-25-20126</i>	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>D</i>	<i>13</i>	<i>205</i>	<i>37E</i>	<i>660</i>	<i>N</i>	<i>990</i>	<i>W</i>	<i>Lca</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>oil Produced water</i>	Volume of Release <i>1/1</i>	Volume Recovered <i>0/0</i>
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <i>Unreportable.</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? <i>3-4-15</i>	<i>3-5-15</i>
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 failure in the flowline. Pin hole sprayed onto pumping unit.

Describe Area Affected and Cleanup Action Taken.*
a small 20'x10' Area N of the pumping unit. Area has been scraped up.

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>Ben Taylor</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>BEN TAYLOR</i>	Approved by District Supervisor:	
Title: <i>Prod. manager</i>	Approval Date:	Expiration Date:
E-mail Address: <i>btaylor.bogic@att.net</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>3.27.15</i> Phone: <i>432.694.4033</i>		

* Attach Additional Sheets If Necessary