

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

nAB1627453796 **OPERATOR** Initial Report Final Report

Name of Company Beach Exploration, Inc.	Contact Jack Rose
Address 800 N. Marienfeld, Suite 200, Midland, TX 79701	Telephone No. 432/683-6226
Facility Name Eastland Queen Unit	Facility Type Waterflood Satellite test Battery

Surface Owner State	Mineral Owner State	API No. 30-015-26095 Unit Number: 300337
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	11	19S	29E	990	North	990	West	Eddy

Latitude 32.681395 ° Longitude -104.046659 °

NATURE OF RELEASE

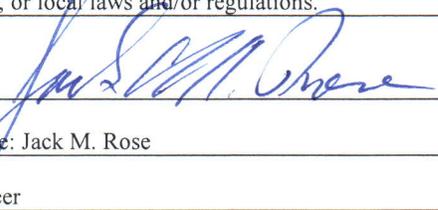
Type of Release 3 bbls oil/water mix	Volume of Release Est. 3 bbl	Volume Recovered 3 bbl
Source of Release Cattle knocked over fence around battery and rubbed on 1/4" valve on tester Murphy switch.	Date and Hour of Occurrence Est 9/6/16 11:30a.m.	Date and Hour of Discovery 9/6/16 4:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Beach Exploration, Inc. from OCD	
By Whom? OCD	Date and Hour 9/20/16 3:17pm	
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.*
NA

Describe Cause of Problem and Remedial Action Taken.*Leak due to cattle knocking over fence around battery and rubbed on 1/4" valve on tester Murphy switch opening and releasing 3 bbls oil/water onto caliche well pad. Cleaned area and netted tank.

Describe Area Affected and Cleanup Action Taken.*
The area affected is outlined on the attached picture. The attached "Remediation Plan" dated 12-20-2016 and approved by the OCD was implemented on 1-31-2017. The OCD was notified the day before. The affected area was excavated to 1+ foot and approximately 50 yards of excavated material was hauled to Lee Land Disposal. The area was then backfilled with clean caliche and dressed. (see attached pictures)

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: 	OIL CONSERVATION DIVISION	
Printed Name: Jack M. Rose	Approved by Environmental Specialist: 	
Title: Engineer	Approval Date: 2/9/17	Expiration Date: N/A
E-mail Address: bmartin@beachexp.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: 2/7/2017 Phone: 432/683-6226	FINAL	

* Attach Additional Sheets If Necessary

2RP-3915